

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

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

## **NON-OFFERING PRELIMINARY PROSPECTUS**

NON-OFFERING PROSPECTUS

August 22, 2022

### **VORTEX ENERGY CORP. (the “Corporation”)**

No securities are being offered pursuant to this preliminary non-offering prospectus (the “**Prospectus**”). This Prospectus is being filed with the securities regulatory authorities in the Provinces of British Columbia, Alberta and Ontario for the purpose of complying with the listing requirements of the Canadian Securities Exchange (the “**Exchange**”). As no securities are being offered pursuant to this Prospectus, no proceeds will be raised in connection with this Prospectus and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Corporation.

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

**There is no market through which the securities of the Corporation may be sold. This may affect the pricing of the Corporation’s securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Corporation’s securities and the extent of issuer regulation. See “*Risk Factors*”.**

**The Corporation plans to apply to list its common voting shares (the “**Common Shares**”) on the Exchange. Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange.**

As of the date of this Prospectus, the Corporation does not have any of its securities listed or quoted, and has not applied to list or quote any of its securities, on the Exchange, the TSX Venture Exchange, the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a United States marketplace, or a market place outside Canada and the United States.

An investment in the securities of the Corporation is speculative and involves a high degree of risk. In reviewing this Prospectus, you should carefully consider the matters described under the heading “*Risk Factors*”. Investments in natural resource issuers involve a significant degree of risk. The degree of risk increases substantially where the Corporation’s properties are in the exploration as opposed to the development stage. The Fire Eye Property, being the only mineral property in which the Corporation has an interest (such interest being a contractual option pursuant to which the Company may earn various interests in the Fire Eye Property - see “*Description of the Business – Significant Acquisitions - Fire Eye Option Agreement*”, is in the exploration or early-exploration stage and is without a known body of commercial ore. An investment in these securities should only be made by persons who can afford the total loss of their investment. See “*Risk Factors*”.

Readers 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 the Common Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Common Shares.

**VORTEX ENERGY CORP.**

#1930 – 1177 West Hastings St.  
Vancouver, British Columbia  
V6E 4T5  
Canada

## TABLE OF CONTENTS

IMPORTANT INFORMATION ABOUT THIS PROSPECTUS .....	I
CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION .....	I
GLOSSARY OF TERMS.....	IV
SUMMARY OF PROSPECTUS .....	VII
CORPORATE STRUCTURE .....	1
DESCRIPTION OF THE BUSINESS .....	1
THE PROPERTY.....	4
USE OF PROCEEDS .....	27
DIVIDENDS OR DISTRIBUTIONS .....	28
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	29
DESCRIPTION OF SHARE CAPITAL .....	29
CONSOLIDATED CAPITALIZATION.....	30
OPTIONS TO PURCHASE SECURITIES.....	30
PRIOR SALES.....	35
ESCROWED SECURITIES.....	36
PRINCIPAL SECURITYHOLDERS .....	36
ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER.....	36
DIRECTORS AND OFFICERS.....	37
EXECUTIVE COMPENSATION.....	40
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS .....	43
AUDIT COMMITTEE INFORMATION .....	43
CORPORATE GOVERNANCE DISCLOSURE .....	44
PLAN OF DISTRIBUTION .....	46
RISK FACTORS .....	46
PROMOTERS .....	54
LEGAL PROCEEDINGS AND REGULATORY MATTERS .....	55
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	55
AUDITOR, TRANSFER AGENT AND REGISTRARS .....	55
MATERIAL CONTRACTS .....	55
EXPERTS.....	55
OTHER MATERIAL FACTS.....	55
RIGHTS OF WITHDRAWAL AND RESCISSION.....	56
FINANCIAL STATEMENT DISCLOSURE.....	56

**APPENDIX “A” - VORTEX ENERGY CORP. - FINANCIAL STATEMENTS**

**APPENDIX “B” - VORTEX ENERGY CORP. – MANAGEMENT’S DISCUSSION AND ANALYSIS**

**APPENDIX “C” - VORTEX ENERGY CORP. - SHARE-BASED COMPENSATION PLAN**

**APPENDIX “D” - VORTEX ENERGY CORP. - AUDIT COMMITTEE CHARTER**

**CERTIFICATE OF THE CORPORATION**

**CERTIFICATE OF THE PROMOTER**



## IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

No person has been authorized to provide any information or to make any representation not contained in this Prospectus, and, if provided or made, such information or representation should not be relied upon. You should assume that the information contained in this Prospectus is accurate only as of the date of this Prospectus. No securities are being offered pursuant to this Prospectus.

Capitalized terms, except as otherwise defined herein, are defined in the section entitled “*Glossary of Terms*”.

Except as otherwise indicated or the context otherwise requires in this Prospectus, references to “the Corporation”, “we”, “us” and “our” refer to Vortex Energy Corp.

Unless otherwise indicated, all currency amounts in this Prospectus are stated in Canadian dollars and references to “\$” are to Canadian dollars.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains certain statements that may constitute forward-looking information under applicable securities laws. All statements, other than those of historical fact, which address activities, events, outcomes, results, developments, performance or achievements that the Corporation anticipates or expects, may, or will occur in the future (in whole or in part) should be considered forward-looking information. Such information may involve, but is not limited to, comments with respect to strategies, expectations, planned operations and future actions of the Corporation. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements formed in the future tense or indicating that certain actions, events or results “may”, “could”, “would”, “might” or “will” (or other variations of the foregoing) be taken, occur, be achieved, or come to pass. Forward-looking information is based on currently available competitive, financial and economic data and operating plans, strategies or beliefs as of the date of this Prospectus, but involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Corporation, as applicable, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors may be based on information currently available to the Corporation, including information obtained from third-party industry analysts and other third-party sources, and are based on management’s current expectations or beliefs regarding future growth, results of operations, future capital (including the amount, nature and sources of funding thereof) and expenditures. Any and all forward-looking information contained in this Prospectus is expressly qualified by this cautionary statement.

Forward-looking information in this Prospectus may include, but is not limited to: the Corporation’s intention to complete the Listing and all transactions related thereto; future financial or operating performance of the Corporation and its business, operations, properties and conditions; and condition, resource potential, including the potential quantity and/or grade of minerals, or the potential size of a mineralized zone, potential expansion of mineralization, the timing and results of future resource estimates, the timing of other exploration and development plans; mineral resource estimates, including the assumptions underlying mineral resource estimates; the Corporation’s future plans regarding its properties; next steps and timing regarding exploration activities at the Fire Eye Property (as defined below); the pursuit of acquiring an interest in the Fire Eye Property; financings and the intended use of proceeds resulting therefrom; impact of, delays and disruptions caused by, coronavirus (“**COVID-19**”); results and developments in the Corporation’s activities in future periods, including results of exploration and development activities; planned exploration and development activities; requirements for additional capital and the adequacy of the Corporation’s financial resources; future operating and capital costs; project timelines, approvals, licence and permit timelines, and the ability to obtain the requisite approvals, licences and permits; technical viability of the Fire Eye Property; estimates of reclamation obligations; the market and future price of and demand for mineral deposits; the environmental impact of the Fire Eye Property; the ongoing ability to work cooperatively with stakeholders, including the local levels of government; and general business and economic conditions.

Many factors could cause the Corporation’s actual results, performance, or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in the “*Risk Factors*” section of this Prospectus. Should one or

more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance, or achievements could vary materially from those expressed or implied by the forward-looking information contained in this Prospectus. Such risks include, but are not limited to those set forth under “*Risk Factors*” and other factors beyond our control, which include: the Corporation may fail to obtain all regulatory requirements for completion of the Listing; the Corporation has a limited operating history; exploration, development and operating risks, and risks associated with the early stage status of the Corporation’s mineral properties and the nature of exploration; risks associated with the Corporation having no known reserves and no economic reserves may exist on the Corporation’s properties, which could have a negative effect on the Corporation’s operations and valuation; discrepancies between actual and estimated mineral resources; possible variations of mineral grade or recovery rates; fluctuations in commodity prices and relative currency rates; volatility, changes or disruptions in market conditions; government regulation of mining operations and changes in government legislation and regulation, including pursuant to the Canadian Extractive Sector Transparency Measures Act (Canada) and uncertainty of government regulation and politics regarding mining and mineral exploration; foreign operations risks, political instability, hostilities, insurrection or acts of war or terrorism (and the potential consequential capital and financial market reaction); a downturn in general economic conditions; delays in the start of exploration or development activities on our projects; pandemics including COVID-19 (and the potential consequential governmental regulations and capital and financial market reaction); reputational risks; potential dilution of Common Shares (as defined herein); voting power or earnings per Common Share as a result of the exercise of Warrants (as defined herein) or Options (as defined herein); future financings or future acquisitions financed by the issuance of equity; uncertainties associated with minority interests and joint venture operations; ability to satisfy contractual obligations and additional capital needs generally; reliance on a finite number of properties; contests over title to properties; costs and results derived from community relations activities; availability of adequate infrastructure; the cost, timing and amount of estimated future capital, operating exploration, acquisition, development and reclamation activities; inability to locate and acquire additional property interests; limited operating history and no earnings; limits of insurance coverage and uninsurable risk; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, pitwall failures, flooding, rock bursts and other acts of God, or natural disasters or unfavourable operating conditions and losses; environmental risks and hazards; limitations on the use of community water sources; risks associated with the Corporation’s indemnified liabilities; competitive conditions in the mineral exploration and mining businesses; the ability of the Corporation to retain its key management and employees, and the impact of shortages of skilled personnel and contractors; potential acquisitions and their integration with the Corporation’s current business; future sales of Common Shares by existing shareholders; influence of third party stakeholders; successful defence against existing, pending or threatened litigation or other proceedings; conflicts of interest; the adequacy of the Corporation’s system of internal controls; credit and/or liquidity risks; cyber security risks; changes to the Corporation’s dividend policy; the interpretation and actual results of historical production at certain of the Corporation’s exploration property interests, as well as specific historic data associated with, and drill results from, those properties, and the reliance on technical information provided by the Corporation’s joint venture partners or other third parties; changes in labour costs or other costs of exploration and development; failure of equipment or processes to operate as anticipated; the impact of archaeological, cultural or environmental studies within the property area; the designation of all or part of the property area of the Corporation’s projects as a protected wildlife habitat under government legislation and regulation; discretion of management when exercising discretion in their use of proceeds from offerings of securities; those general business, economic, competitive, political, regulatory and social uncertainties, disruptions or changes in the credit or securities markets and market fluctuations in prices for the Corporation’s securities that may occur outside of management’s control; the Corporation’s history of net losses and negative operating cash flow; the Corporation’s major shareholder(s) having the ability to influence matters submitted to the Corporation’s shareholders for approval; and the risks involved in the exploration, development, and mining business in general.

See “*Risk Factors*” for a complete list of risks relating to an investment in the Corporation. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Those factors should not be construed as exhaustive and should be read with the other cautionary statements in this Prospectus.

These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. Although we base our forward-looking statements on assumptions that we believe were reasonable when made, which include, but are not limited to, assumptions with respect to the Corporation’s future growth potential, results of operations, future prospects and opportunities, execution of the Corporation’s business strategy, there being no material variations in the current tax and regulatory environments, future levels of indebtedness and current economic conditions remaining unchanged, we caution you that forward-looking statements

are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Prospectus. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Any forward-looking statements which we make in this Prospectus speak only as of the date of such statement, and we do not undertake, except as required by applicable law, any obligation to update such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. All forward-looking statements made in this Prospectus are qualified by these cautionary statements.

## GLOSSARY OF TERMS

In this Prospectus, the following terms have the meanings set forth below, unless otherwise indicated. Terms and abbreviations appearing in the documents attached as appendices to this Prospectus may be defined separately and the terms and abbreviations defined below may not be used therein, except where otherwise indicated. Words importing the singular include the plural and vice versa and words importing any gender include all genders.

“\$” means Canadian dollars.

“**\$0.02 Financing**” has the meaning ascribed thereto in the section of this Prospectus titled “*Description of Business – Three Year History*”.

“**\$0.10 Financing**” has the meaning ascribed thereto in the section of this Prospectus titled “*Description of Business – Three Year History*”.

“**\$0.40 Financing**” has the meaning ascribed thereto in the section of this Prospectus titled “*Description of Business – Three Year History*”.

“**Alliance Uranium Property**” means the mineral property comprised of twenty mining claims covering 1,175.25 hectares’ land in located in the Montreal-Laurentides district of southwestern Quebec, Canada, 200 km (125 miles) northwest of Montreal.

“**Audit Committee**” means the audit committee of the Corporation.

“**Author**” means Kristian Whitehead, P. Geo, with respect to the Fire Eye Property Technical Report.

“**Award**” has the meaning ascribed thereto in the section of this Prospectus titled “*Options to Purchase Securities*”.

“**BCBCA**” means the *Business Corporations Act* (British Columbia) S.B.C. 2002 c.57, as amended, including the regulations promulgated thereunder.

“**Board**” means the board of directors of the Corporation.

“**CEO**” means Chief Executive Officer.

“**CFO**” means Chief Financial Officer.

“**Common Shares**” means the common shares in the capital of the Corporation.

“**DSUs**” has the meaning ascribed thereto in the section of this Prospectus titled “*Options to Purchase Securities*”.

“**Eligible Person**” has the meaning ascribed thereto in the section of this Prospectus titled “*Options to Purchase Securities*”.

“**Escrow Agent**” means Odyssey Trust Company, the registrar and transfer agent of the Corporation.

“**Escrowed Securities**” has the meaning ascribed thereto in the section of this Prospectus titled “*Escrowed Securities*”.

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

“**Fire Eye Option Agreement**” means the property option agreement dated March 10, 2022 between the Corporation and Geomap Exploration Inc., pursuant to which the Corporation obtained the option to acquire up to 100% of the Fire Eye Property.

“**Fire Eye Property**” means the Fire Eye Lake Uranium property, which is comprised of a large mineral claim covering 4,497 hectares’ land located in the Wollaston Domain of northern Saskatchewan, Canada.

**“Fire Eye Property Technical Report”** means the NI 43-101 technical report entitled “Fire Eye Uranium Property, Northern Mining District, NTS Map 064E14 and 064E15, Saskatchewan, Canada” prepared for the Corporation by the Author and dated May 12, 2022.

**“IFRS”** means International Financial Reporting Standards.

**“Listing”** means the proposed listing of the Common Shares on the Exchange for trading.

**“MD&A”** means management’s discussion and analysis as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*, of the Canadian Securities Administrators.

**“NEO”** or **“named executive officer”** means each of the following individuals of an entity:

- (a) the CEO;
- (b) the CFO;
- (c) each of the three most highly compensated executive officers of an entity, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 *Statement of Executive Compensation*, for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of an entity or its subsidiaries, nor acting in a similar capacity, at that financial year.

**“NI 43-101”** means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, of the Canadian Securities Administrators.

**“NI 52-110”** means National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators.

**“NI 58-101”** means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, of the Canadian Securities Administrators.

**“NSR”** means net smelter returns, which shall be equal to gross revenue less permissible deductions in respect to such quarter.

**“NSR Royalty”** has the meaning ascribed thereto in the section of this Prospectus titled “*Description of the Business – Significant Acquisitions - Fire Eye Option Agreement*”.

**“Option”** means a stock option right issuable under the Corporation’s Share-Based Compensation Plan.

**“Option Expiry Date”** has the meaning ascribed thereto in the section of this Prospectus titled “*Options to Purchase Securities*”.

**“Participants”** has the meaning ascribed thereto in the section of this Prospectus titled “*Options to Purchase Securities*”.

**“Person”** includes any natural person, partnership, limited partnership, joint venture, syndicate, sole proprietorship, body corporate with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative.

**“Principal Regulator”** means the British Columbia Securities Commission.

**“Prospectus”** means this preliminary non-offering prospectus dated as of the date on the cover page.

**“RSUs”** has the meaning ascribed thereto in the section of this Prospectus titled “*Options to Purchase Securities*”.

“**SEDAR**” means System for Electronic Document Analysis and Retrieval being the official website that provides access to most public securities documents and information filed by Issuers and investment funds with the Canadian Securities Administrators at [www.sedar.com](http://www.sedar.com).

“**Share-Based Compensation Plan**” means the share-based compensation plan adopted by the Corporation on August 8, 2022.

“**SMDI**” means the Saskatchewan Mineral Deposit Index.

“**Vortex**” or “**Corporation**” means Vortex Energy Corp.

“**Warrants**” means the common share purchase warrants of the Corporation.

## SUMMARY OF PROSPECTUS

*The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.*

### **The Corporation**

The Corporation is governed by the BCBCA, having been incorporated on July 13, 2021 as “Sustainable Green Mining Corp.” On June 14, 2022, the Corporation changed its name to “Vortex Energy Corp.” The Corporation’s head office is located at #1930 – 1177 West Hastings Avenue, Vancouver, British Columbia V6E 4T5, and its registered and records office is located at Suite 2800, Park Place, 666 Burrard Street, Vancouver, BC V6C 2Z7.

The Corporation has no subsidiaries.

### **Principal Business**

The Corporation’s business is the acquisition, exploration, staking and evaluation of natural resource properties in North America. The Corporation currently holds an option pursuant to the Fire Eye Option Agreement to acquire up to 100% of the Fire Eye Property. To date, equity financings have provided all of the Corporation’s funds. The recovery of the Corporation’s investment in the Fire Eye Property will be dependent upon the discovery of economically recoverable mineral reserves and the ability to raise sufficient capital to finance these operations. The ultimate outcome of these operations cannot presently be determined because they are contingent on future events and matters.

See “*General Development of the Business*” and “*Description of the Business*”.

### **Business Objectives**

The Corporation’s business objectives over the next 12 months are to follow the Phase 1 recommendations as outlined in the Fire Eye Property Technical Report, and, if warranted subsequent to the Phase 1 exploration work program results, a Phase 2 work program as further outlined in the Fire Eye Property Technical Report.

See “*Use of Proceeds – Business Objectives and Milestones*” and “*The Property - Recommendations*”.

### **Listing**

The Corporation intends to apply to list the Common Shares on the Exchange prior to filing the final prospectus with the Principal Regulator.

### **Summary of Selected Financial Information**

The table below summarizes the financial information for the periods or as at the dates indicated. The summary financial information should be read in conjunction with the Corporation's audited consolidated financial statements and corresponding management's discussion and analysis for the period from incorporation on July 13, 2021 to May 31, 2022, included in this Prospectus under Appendices A and B. The selected financial information set out below may not be indicative of the Corporation’s future performance.

<b>Financial Positions</b>	<b>For the period from incorporation to May 31, 2022 (\$)</b>
Current assets	1,717,465
Total assets	1,792,465
Current liabilities	108,527
Share capital	2,004,348

Reserves	Nil
Deficit	(320,410)

<b>Financial Results</b>	<b>For the period from incorporation to May 31, 2022 (\$)</b>
Revenue	Nil
Expenses	(320,410)
Net loss	(320,410)
Net loss per share – basic and diluted	(0.01)

As of July 31, 2022, the Corporation had total funds available of \$1,545,653, comprised entirely of working capital of \$1,545,653.



The Corporation's estimated use of funds for the next 12 months is as follows:

<b>Use of Available Funds</b>	<b>Amount (\$)</b>
Estimated remaining cost for the Prospectus and Listing	50,000
Continued development and achievement of milestones <sup>(1)</sup>	261,635
Operating expenses for 12 months <sup>(2)</sup>	460,000
Unallocated working capital	774,018
<b>Total</b>	<b>1,545,653</b>

Notes:

(1) See "Use of Proceeds – Business Objectives and Milestones".

(2) Estimated operating expenses for the next 12 months include:

<b>Operating Expenses 2022-2023 Budget (\$)</b>	
Consulting fees (management, administration and professional service fees)	320,000
Administrative Costs	15,000
Marketing and Investor Relations	125,000
<b>Total</b>	<b>460,000</b>

See "Financial Statement Disclosure" and "Management Discussion & Analysis"

The Corporation intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a re-allocation of the funds may be necessary. The amounts set forth above may increase if we are required to carry out due diligence investigations in regard to any prospective investment or business opportunity or if the costs of the Prospectus or Listing, or negotiating an applicable transaction, are greater than anticipated.

## RISK FACTORS

### **Risks Relating to the Business of the Corporation:**

Due to the nature of the Corporation's business, the legal and economic climate in which it operates and its present stage of development, the Corporation is subject to significant risks. The Corporation's future development and operating results may be very different from those expected as at the date of this Prospectus. Readers should carefully consider all such risks. Risk factors relating to the Corporation include, but are not limited to, the following: the Corporation may fail to obtain all regulatory requirements for completion of the Listing; the Corporation has a limited operating history; exploration, development and operating risks, and risks associated with the early stage status of the Corporation's mineral properties and the nature of exploration; risks associated with the Corporation having no known reserves and no economic reserves may exist on the Corporation's properties, which could have a negative effect on the Corporation's operations and valuation; discrepancies between actual and estimated mineral resources; possible variations of mineral grade or recovery rates; fluctuations in commodity prices and relative currency rates; volatility, changes or disruptions in market conditions; government regulation of mining operations and changes in government legislation and regulation, including pursuant to the Canadian Extractive Sector Transparency Measures Act (Canada) and uncertainty of government regulation and politics regarding mining and mineral exploration; foreign operations risks, political instability, hostilities, insurrection or acts of war or terrorism (and the potential consequential capital and financial market reaction); a downturn in general economic conditions; delays in the start of exploration or development activities on our projects; pandemics including COVID-19 (and the potential consequential governmental regulations and capital and financial market reaction); reputational risks; potential dilution of Common Shares; voting power or earnings per Common Share as a result of the exercise of Warrants or Options; future financings or future acquisitions financed by the issuance of equity; uncertainties associated with minority interests and joint venture operations; ability to satisfy contractual obligations and additional capital needs generally; reliance on a finite number of properties; contests over title to properties; costs and results derived from community relations activities; availability of adequate infrastructure; the cost, timing and amount of estimated future capital, operating exploration, acquisition, development and reclamation activities; inability to locate and acquire additional property interests; limited operating history and no earnings; limits of insurance coverage and uninsurable risk; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, pitwall failures, flooding, rock bursts and other acts of God, or natural disasters or unfavourable operating conditions and losses; environmental risks and hazards; limitations on the use of community water sources; risks associated with the Corporation's indemnified liabilities; competitive conditions in the mineral exploration and mining businesses; the ability of the Corporation to retain its key management and employees, and the impact of shortages of skilled personnel and contractors; potential acquisitions and their integration with the Corporation's current business; future sales of Common Shares by existing shareholders; influence of third party stakeholders; successful defence against existing, pending or threatened litigation or other proceedings; conflicts of interest; the adequacy of the Corporation's system of internal controls; credit and/or liquidity risks; cyber security risks; changes to the Corporation's dividend policy; the interpretation and actual results of historical production at certain of the Corporation's exploration property interests, as well as specific historic data associated with, and drill results from, those properties, and the reliance on technical information provided by the Corporation's joint venture partners or other third parties; changes in labour costs or other costs of exploration and development; failure of equipment or processes to operate as anticipated; the impact of archaeological, cultural or environmental studies within the property area; the designation of all or part of the property area of the Corporation's projects as a protected wildlife habitat under government legislation and regulation; discretion of management when exercising discretion in their use of proceeds from offerings of securities; those general business, economic, competitive, political, regulatory and social uncertainties, disruptions or changes in the credit or securities markets and market fluctuations in prices for the Corporation's securities that may occur outside of management's control; the Corporation's history of net losses and negative operating cash flow; the Corporation's major shareholder(s) having the ability to influence matters submitted to the Corporation's shareholders for approval; and the risks involved in the exploration, development, and mining business in general.

For further details, please see the discussion under the heading "*Risk Factors*".

## CORPORATE STRUCTURE

### Name, Address and Incorporation

The Corporation is a company governed by the BCBCA and was incorporated on July 13, 2021 as “Sustainable Green Mining Corp.” On June 14, 2022, the Corporation changed its name to “Vortex Energy Corp.” The Corporation’s head office is located #1930 – 1177 West Hastings Avenue, Vancouver, British Columbia V6C 3E8, and it’s registered and records office is located at Suite 2800, Park Place, 666 Burrard Street, Vancouver, BC V6C 2Z7.

### Intercorporate Relationships

The Corporation has no subsidiaries.

## DESCRIPTION OF THE BUSINESS

### Summary and Corporation Overview

The Corporation is a junior mineral exploration company engaged in the business of acquiring, exploring, staking and evaluating natural resource properties in North America. The Corporation currently has an option to acquire up to 100% of the Fire Eye Property, located in Saskatchewan, Canada, pursuant to the Fire Eye Option Agreement (see “*Description of the Business – Significant Acquisitions - Fire Eye Option Agreement*”). The Corporation has not yet determined whether its property interests contain mineral resources or mineral reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related deferred exploration expenditures are dependent upon the discovery of economically recoverable reserves, confirmation of the Corporation’s interest in the underlying mineral claims, the ability of the Corporation to obtain necessary financing to complete the development of the resource property and upon future profitable production or proceeds from the disposition thereof. See “*Risk Factors*”. While the Corporation’s intended focus is on the Fire Eye Property, the Corporation continues to also assess new mineral projects and will seek to acquire interests in additional projects if it determines such projects have sufficient geological or economic merit and if the Corporation has adequate financial resources to complete such acquisitions. Accordingly, the Corporation may consider alternative opportunities and mineral projects unrelated to uranium deposits.

### Three-Year History

*From the period of incorporation to May 31, 2022*

- The Corporation was incorporated as a BCBCA corporation on July 13, 2021.
- On July 13, 2021, the Corporation issued 500 Common Shares at \$0.01 per Common Share for total proceeds of \$5 pursuant to incorporation.
- On July 27, 2021, the Corporation issued 21,000,000 Common Shares at \$0.02 per Common Share for total proceeds of \$420,000 pursuant to a private placement (the “**\$0.02 Financing**”).
- On December 15, 2021, the Corporation issued 10,515,000 Common Shares at \$0.10 per Common Share for total proceeds of \$1,051,500 pursuant to a private placement. (the “**\$0.10 Financing**”).
- On January 4, 2022, the Corporation entered into an asset purchase agreement with Michael Dehn, pursuant to which the Corporation has agreed to acquire the Alliance Uranium Property. It is anticipated this acquisition will be completed in Q4 2022.
- On March 10, 2022, the Corporation entered into a property option agreement with Geomap Exploration Inc., pursuant to which the Corporation obtained an option to acquire up to 100% of the Fire Eye Property (the “**Fire Eye Option Agreement**”). Please see “*Description of the Business – Significant Acquisitions - Fire Eye Option Agreement*” for further details.

- On May 25, 2022, the Corporation issued 1,412,500 units at \$0.40 per unit for total proceeds of \$565,000 pursuant to a private placement. Each unit is comprised of one Common Share and one Warrant exercisable at \$0.75 for a period of 24 months from the date of issuance (the “**\$0.40 Financing**”).

*Subsequent events since May 31, 2022*

- No subsequent events are noted.

**Significant Acquisitions**

*Fire Eye Option Agreement*

Pursuant to the Fire Eye Option Agreement, the Corporation obtained the option to acquire up to 100% of the Fire Eye Property. The Fire Eye Property is comprised of a large mineral claim covering approximately 4,497 hectares’ land located in the Wollaston Domain of northern Saskatchewan, Canada. The option is exercisable as follows:

Cash Payments

- Payment of \$75,000 in cash to Geomap Exploration Inc. on or before March 15, 2022 (paid – March 15, 2022);
- Payment of \$75,000 in cash to Geomap Exploration Inc. on or before the date that is ten (10) days after Geomap Exploration Inc. has delivered to the Corporation the Fire Eye Property Technical Report in compliance with NI 43-101;
- Payment of \$30,000 in cash to Geomap Exploration Inc. on or before March 10, 2023; and
- Payment of \$50,000 in cash to Geomap Exploration Inc. on or before March 10, 2024.

Share Issuances

- Issue to Geomap Exploration Inc. 100,000 Common Shares on or before the date that is ten (10) days after Geomap Exploration Inc. has delivered to the Corporation the Fire Eye Property Technical Report in compliance with NI 43-101;
- Issue to Geomap Exploration Inc. 150,000 Common Shares on or before March 10, 2023; and
- Issue to Geomap Exploration Inc. 150,000 Common Shares on or before March 10, 2024.

Expenditures

- Incur \$110,000 of expenditures on the Fire Eye Property on or before March 10, 2023; and
- Incur \$250,000 of expenditures on the Fire Eye Property on or before March 10, 2024.

Upon exercise of the option in full, the Corporation shall grant a royalty in the favour of Geomap Exploration Inc. equal to a 1.5% NSR on the Fire Eye Property (the “**NSR Royalty**”). The Corporation shall have the irrevocable right to purchase 1/3 NSR Royalty from Geomap Exploration Inc. for \$1,000,000, thereby reducing the NSR Royalty to 1%.

**Production and Services**

The Corporation is in the exploration stage and does not mine, produce or sell any mineral products at this time, nor does the Fire Eye Property have any known or identified mineral resources or mineral reserves.

As the Corporation is an exploration stage company with no producing properties, it has no current operating income, cash flow or revenues. The Corporation has not undertaken any current resource estimate on the Fire Eye Property. There is no assurance that a commercially viable mineral deposit exists on the Fire Eye Property. The Corporation

does not expect to receive income from the Fire Eye Property within the foreseeable future. The Corporation intends to continue to evaluate, explore and develop the Fire Eye Property using its current working capital and through additional financings, if warranted. The Corporation's objective is the exploration and evaluation of the Fire Eye Property. Toward this end, the Corporation intends to undertake the work program on the Fire Eye Property recommended by the Author of the Fire Eye Property Technical Report.

### **Specialized Skill and Knowledge**

Various aspects of the Corporation'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 Corporation expects to rely upon consultants and others for exploration and development expertise. The Corporation does not anticipate any difficulties in locating competent employees and consultants in such fields. Management is composed of individuals who have extensive expertise in the mineral exploration industry and exploration finance and are complemented by the members of the Board. Please see "*Directors and Officers*".

### **Competitive Conditions**

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Corporation 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 consultants. As a result of this competition, the majority of which is with companies with greater financial resources and technical facilities than the Corporation, the Corporation may not be able to acquire attractive properties in the future on terms it considers acceptable. Finally, the Corporation 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 Corporation 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 Corporation may affect the marketability of minerals mined or discovered by the Corporation.

### **Cycles**

The mining sector is very volatile and cyclical. It has suffered significant declines since 2011. The financial markets for mining in general, and mineral exploration and development in particular, continued to be very volatile through 2021 and into 2022. In addition to commodity price cycles and recessionary periods, exploration activity may also be affected by seasonal and irregular weather conditions in the areas where the Corporation operates. See "*Risk Factors*".

### **Environmental Protection**

The Corporation's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, and the use of cyanide which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. Certain types of operations may also require the submission and approval of environmental impact assessments.

Environmental legislation is evolving in a manner that means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies including their directors, officers and employees.

Due to the early stage of the Corporation's activities, environmental protection requirements have had a minimal impact on the Corporation's capital expenditures and competitive position. If needed, the Corporation will make and will continue to make expenditures to ensure compliance with applicable laws and regulations. New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementations of existing laws and regulations, as well as the costs of complying with such laws and regulations, could have a material adverse effect on the Corporation by potentially increasing capital and/or operating costs and reducing potential for profitability. See "*Risk Factors*".

## **Employees**

The Corporation does not have any employees, and it intends to utilize contractors to carry on most of its activities and, in particular, to supervise certain work programs related to field work and drilling services on the Fire Eye Property. The Corporation also relies on and engages consultants on a contract basis to assist the Corporation in carrying on its administrative, exploration and research and development activities. The services of Chief Executive Officer and Chief Financial Officer are provided by contractors pursuant to consulting agreements.

## **Foreign Operations**

The Corporation currently does not have any foreign operations.

Mineral exploration and mining activities in foreign jurisdictions may be affected in varying degrees by government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions may adversely affect the Corporation's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on permitting, production, price controls, income taxes, expropriation of property, environmental legislation and safety. Future development and operations may be affected in varying degrees by such factors as government regulations or changes thereto. Please see "*Risk Factors*."

## **Changes to Contracts**

No part of the Corporation's business is reasonably expected to be affected in the current financial year by either the renegotiation or termination of any contract.

## **Lending**

The Corporation is not engaged in any lending activities.

## **Bankruptcy and Similar Procedures**

There are no bankruptcies, receivership or similar proceedings against the Corporation, nor is the Corporation aware of any such pending or threatened proceedings. There has not been any voluntary bankruptcy, receivership or similar proceeding, by the Corporation during its last three financial years.

## **Reorganizations**

The Corporation has not completed any material reorganization and no reorganization is proposed for the current financial year.

# **THE PROPERTY**

*References to figures and tables in this section, refer to the figures and tables in this section only.*

## **Current Technical Report**

The Fire Eye Property Technical Report, dated May 12, 2022, was prepared for the Corporation by the Author. The following information is condensed and extracted from the Fire Eye Property Technical Report. Reference should be made to the full text of the Fire Eye Property Technical Report.

## ***Project Description and Location***

The Fire Eye Property consists of a large mineral claim (Disposition) MC0001579 which covers about 4,497 hectares land of Wollaston Supergroup metasediments in the Wollaston Domain of northern Saskatchewan, Canada, an area known for uranium and base metal deposits. The Fire Eye Property is centered on universal transverse mercator coordinate system, Zone 13N, at 6,412,407 meters Northing and 620,817 meters Easting; or at 102° 57' 54.3" West Longitude and 57° 50' 14.1" North Latitude. The western boundary of the Fire Eye Property is located approximately 50 km east of Highway #905 on NTS map sheets of 064E14 & 064E15.

The Property is currently owned 100% by Geomap Exploration Inc. and it was optioned by the Corporation pursuant to the Fire Eye Option Agreement, where the Corporation has an option to acquire a 100% interest in the Fire Eye Property by making cash payments of \$230,000, issuing 400,000 Common Shares and \$360,000 exploration work commitments as per the following schedule:

Cash Payments

- Payment of \$75,000 in cash to Geomap Exploration Inc. on or before March 15, 2022 (paid – March 15, 2022);
- Payment of \$75,000 in cash to Geomap Exploration Inc. on or before the date that is ten (10) days after Geomap Exploration Inc. has delivered to the Corporation the Fire Eye Property Technical Report in compliance with NI 43-101;
- Payment of \$30,000 in cash to Geomap Exploration Inc. on or before March 10, 2023; and
- Payment of \$50,000 in cash to Geomap Exploration Inc. on or before March 10, 2024.

Share Issuances

- Issue to Geomap Exploration Inc. 100,000 Common Shares on or before the date that is ten (10) days after Geomap Exploration Inc. has delivered to the Corporation the Fire Eye Property Technical Report in compliance with NI 43-101;
- Issue to Geomap Exploration Inc. 150,000 Common Shares on or before March 10, 2023; and
- Issue to Geomap Exploration Inc. 150,000 Common Shares on or before March 10, 2024.

Expenditures

- Incur \$110,000 of expenditures on the Fire Eye Property on or before March 10, 2023; and
- Incur \$250,000 of expenditures on the Fire Eye Property on or before March 10, 2024.

There is a 1.5% NSR Royalty on the Fire Eye Property payable to Geomap Exploration Inc.

Table 1: Mineral disposition details

Disposition Details		Assigned Owner(s)	
Disposition #:	MC00015792	Afzal Pirzada	100.000%
Type:	Mineral Claim	Name Change History	
Issued Date:	1/10/2022	No Name Change History	
Effective Date:	1/10/2022	Transfer History	
Next Review Date:	1/10/2023	No Transfer History	
Good Standing To:	4/9/2024	Notice of Dispute Records	
Staking Date:		No Notice of Dispute Records	
Validation Summary		Builders' Lien	
Total Area:	4496.661 Ha	No Builder Lien	
In Good Standing:	Yes	Work Credit History	
Assessment Work		No Work Credit History	
Effective Date:	1/10/2022	Map	
Date of First Lease:	N/A	Legal Land Description	
Applied Work Reqs for Claim Year Endings:	1/10/2022		
Relief from Expenditure Requirements:	No		
Total Available Expenditures:	\$0.00		
Work Requirements:	\$0.00		
Work Waiting Approval by Branch:	No		
Sub No.	Decided On	Ant. Approved	Status

To conduct mineral exploration activities on Crown land within Saskatchewan, surface disturbance permits are required from the Ministry of Environment before any work can be started. The permits vary depending on the program and may include, but are not limited to: Forest Product, Aquatic Habitat Protection, Work Authorization and/or Temporary Work Camp permits. To obtain the appropriate permits an application must be submitted to a Ministry of Environment Ecological Protection Specialist. Verification from the Heritage Resources Branch and a map from the Conservation Data Centre must accompany the application. Drilling programs will normally also require Term Right to Use Water licences obtained through the Saskatchewan Watershed Authority and a Notification Form may be required to be completed and submitted to the Department of Fisheries and Oceans Canada. The Fire Eye Property claim is in good standing until April 09, 2024.

(Source: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/mineral-exploration-and-mining/mining-permits>)

No work permits for the Fire Eye Property have been applied for. The Author is not aware of any environmental or regulatory problems that would adversely affect mineral exploration and development within the area of the Fire Eye Property. The political uncertainty inherent in consultations with First Nations and other local groups regarding access and work programs may be considered a significant risk. There are no known environmental liabilities.

Mining claims in Saskatchewan do not include surface rights. The surface rights on the Fire Eye Property are owned by Crown where a permit is required to carry out intrusive exploration work such as line-cutting, trenching and drilling.



Figure 1: Property Location

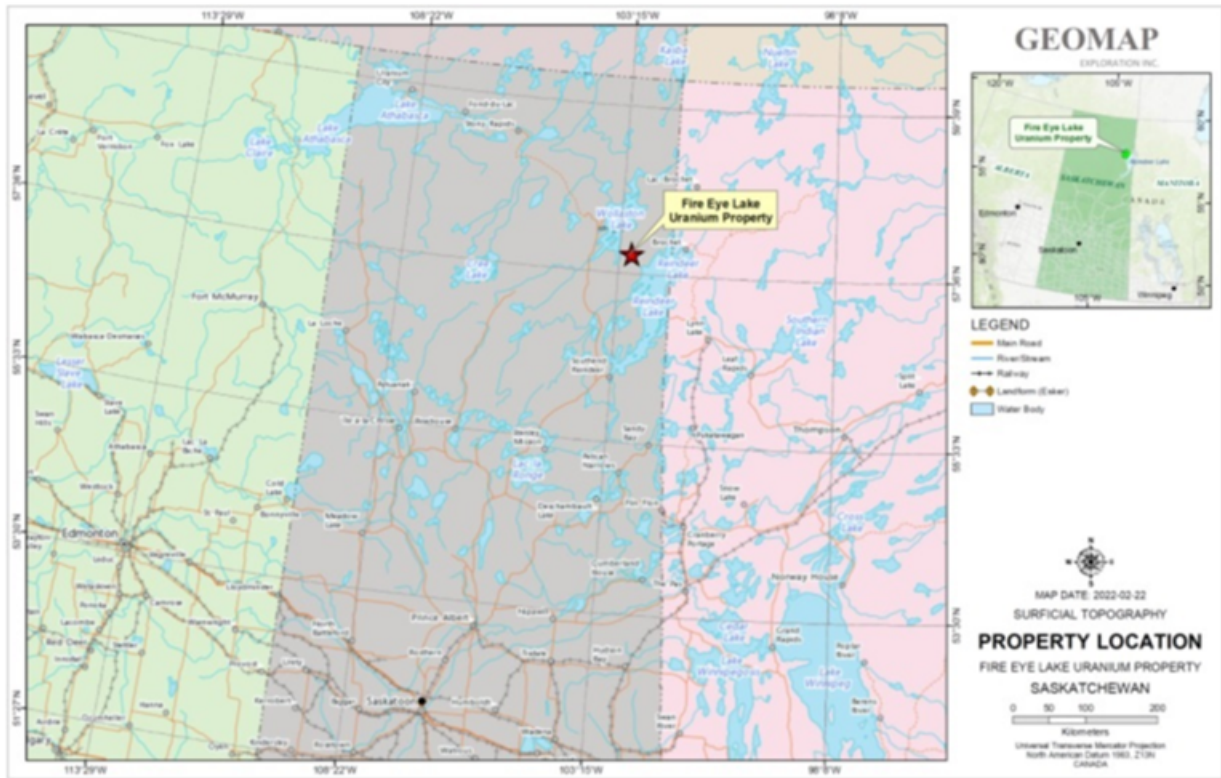


Figure 2: Property Claims Map

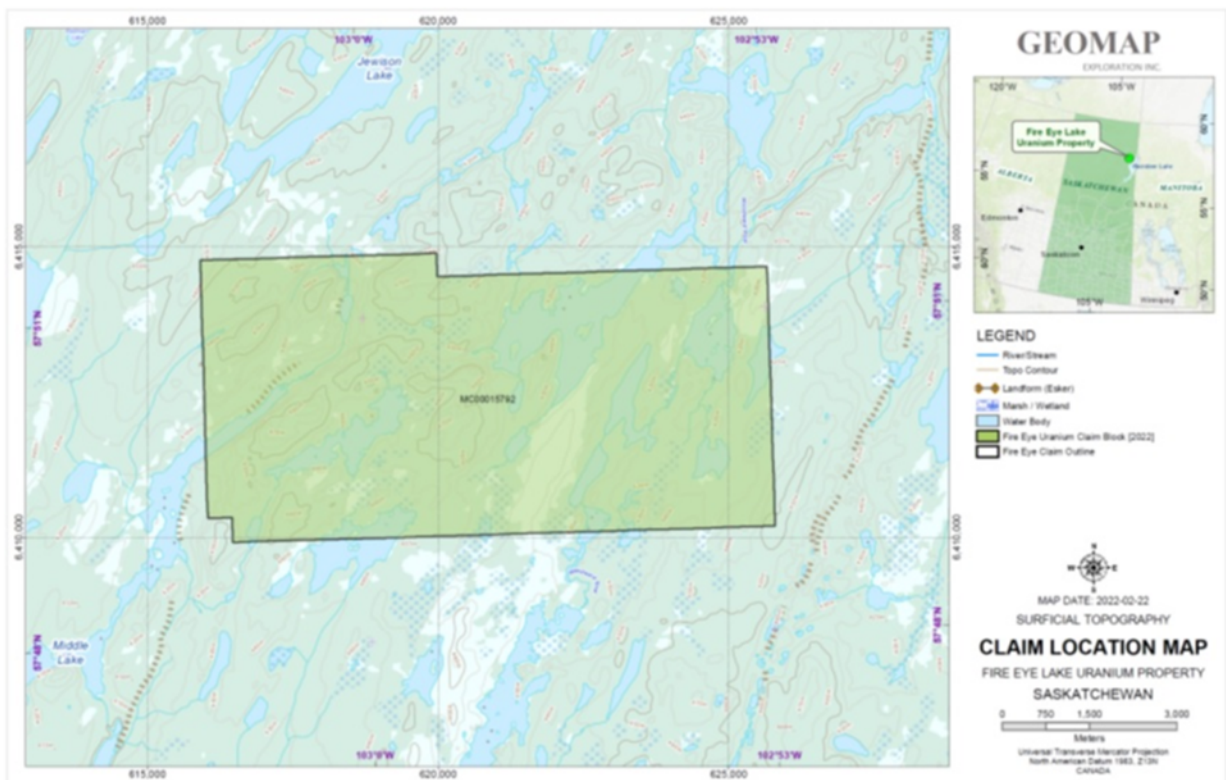
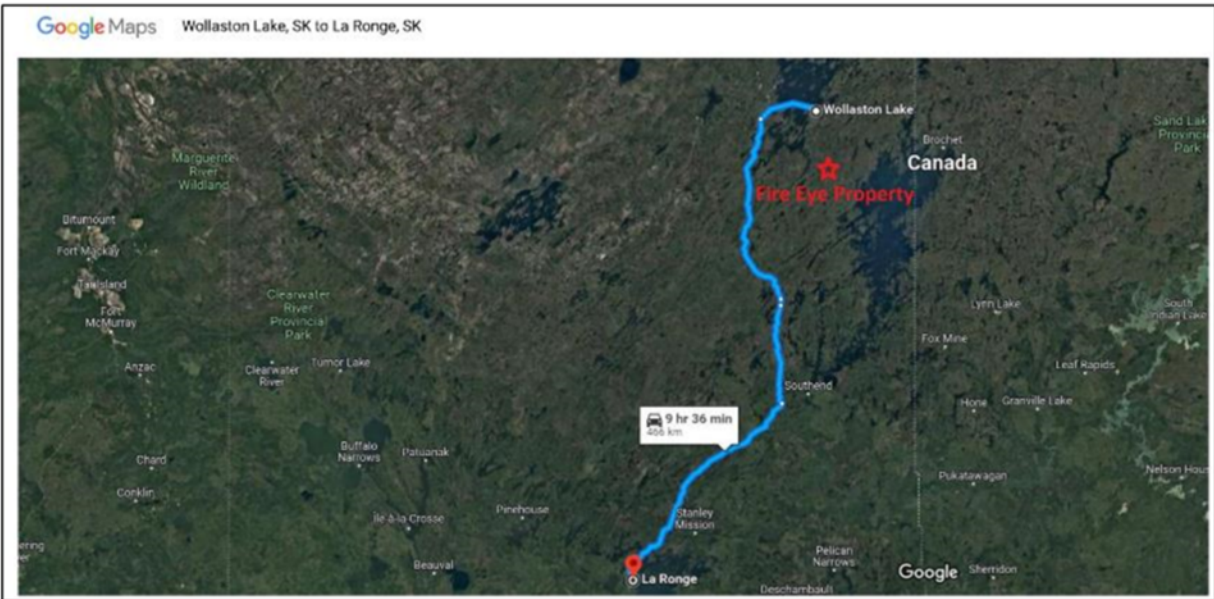


Figure 3: Property Location and Access



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

#### *Access*

Access to the Fire Eye Property is by helicopter, fixed wing aircraft, and/or maintained gravel Provincial Highway #905, which is about 50 km to the west of the Fire Eye Property. The Highway runs from the town of La Ronge, located approximately 400 km south of the Fire Eye Property, to the settlement of Wollaston Lake, situated north-northwest (Figure 3). There are regularly scheduled commercial flights from Saskatoon to La Ronge, where both float planes and helicopters are regularly available for charter. Air service is also provided to and from Wollaston Lake to Points North Landing, a service center for nearby uranium mines.

The Fire Eye Property is approximately 75 km from KM 147 Lamp Lighters Lodge in Courtenay Lake, Saskatchewan where 2022 survey crew was staying, and the project was accessed by using a helicopter. The Author accessed the Property from Wollaston Lake by using a helicopter.

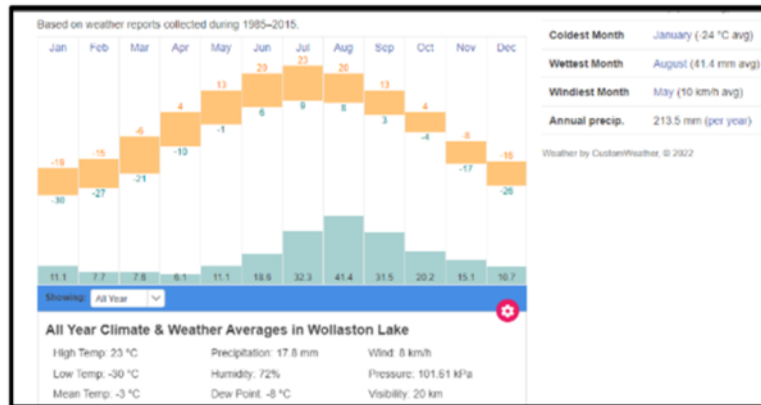
Photo 1: Ice Road & Wollaston Lake community (March 2022 Property visit Photo)



## Climate

The climate of the region is considered sub-arctic with annual mean temperatures at Wollaston Lake of -3°C, annual maximums to 23°C, and annual minimums to -30°C. The annual mean precipitation at Wollaston Lake is 213.5 mm, with the highest amounts (41.4 mm) in August. The mean annual snowfall is 170 mm, falling on an average of 75 days of the year. Field prospecting, geological mapping and sampling work can be carried out during summer months from June-October, however, line-cutting, geophysics, and diamond drilling operations can be conducted year-round, but extreme cold in January and February can make work difficult.

Figure 4: Wollaston Lake climate data



(Source: <https://www.timeanddate.com/weather/@6183870/climate>)

## Physiography

Property topography is generally low-lying with occasional ridges and elevations ranging from 420 to 470 meters. Lakes, swamps, and glacial overburden (glacial outwash and esker material) overlie much of the Fire Eye Property. Vegetation consists of blue spruce, jack pine, tamaracks, with common scrubby underbrush of willows and alders. Low-lying areas are dominated by standing water and muskeg. Property topography would not pose any serious problems for the construction of exploration or exploitation infrastructure. La Ronge, Prince Albert, and Saskatoon are the regional exploration supply centers.

## Local Resources and Infrastructure

La Ronge is the nearest town located approximately 400 km to the south of the Fire Eye Property. Several mining companies, government agencies, and airlines have offices in La Ronge, and the local Chamber of Commerce has many other retail and service businesses amongst its members. Access to Wollaston Lake is provided by Wollaston Lake Airport and Highway #905. The highway is on the west side of the lake and the community is on the east side. Access from Highway #905 is provided by an ice road in the winter and by the Wollaston Barge Ferry in the summer. There are several lakes within the Fire Eye Property area which can be a source of water for exploration activities. The Fire Eye Property size is large enough to carry out exploration and mining operations. A power line runs along Highway 905 which is located approximately 75 km to the west of the Fire Eye Property. KM 147 Lamp Lighters Lodge in Courtenay Lake is used as a base station for supporting exploration work for various mining companies in the area. Trained manpower, drilling contractors and geophysical survey services are available from La Ronge, Saskatoon or other jurisdictions in Canada.

## History

### Local History

In the 1930s, the Fire Eye Property area was partially mapped by the Geological Survey of Canada, with focus on gold and base metals. In the 1970s, the Saskatchewan Geological Survey mapped the area at 1:100,000 scale. In 1977, other mapping was carried out in the area by G. E. Ray at 1:100,000 scale, and between 1972 and 1977 by R. Munday also at 1:100,000 scale.

In 1968, the Rabbit Lake uranium deposit was discovered and exploration activity in the Fire Eye Property area was carried out. Exploration consisted mainly of airborne radiometric surveys, airborne electromagnetic and magnetic surveys, and ground prospecting.

The Key Lake uranium deposit was discovered in 1975 by tracing a prominent mineralized boulder train to source. After Key Lake, interest in the area was renewed and uranium occurrences of various sizes were discovered. Mineralization reported to the government was identified using an indexed numbering system, the SMDI, that is available online.

### *Property History*

There are three uranium showings on the Fire Eye Property as listed in SMDI inventory (SMDI 0606, SMDI 1710, and SMDI 1832) which are summarized below.

#### *SMDI 0606 – WOODWARD LAKE*

The showing is located 2.2 miles (3.5 km) north-northeast of Woodward Lake. Geologically, the area northeast of Woodward Lake is underlain by the Middle Lake granite portion of the Archean Johnson River Inlier. Unit Wfn consists of a sheared granite which contains local inclusions of pelitic schist, amphibole, and/or metadiorite. The granite is, locally overlain by basal Wollaston Group unit Wpsn of a series of fine- to medium-grained, graphitic, pelitic to semipelitic biotite gneiss with intercalated intervals of meta-arkose and meta quartzite. The showing was described by prospectors as outcrops of felsic and mafic metasediments and boulders of poorly mineralized (pyritic) gabbro.

The area of the showing was first covered by a permit held by Husky Oil Ltd. (“**Husky**”) in 1968. An airborne EM-INPUT and magnetic survey was completed by Questor International Surveys Ltd. on behalf of Husky, and an airborne spectrometer survey by Geo-X survey Ltd. on behalf of Husky was completed as well in 1969.

In 1970, Geoterrex Surveys Ltd. did an interpretive study of airborne magnetic data for Husky. Field work was carried out by Wollex Exploration Ltd. and Fisher & Associates Ltd (AF 64E05-0020). The field work included ground radiometric and geophysical follow-up, prospecting, and diamond drilling (Source: Assessment Report: 64E05-0020).

#### *SMDI 1710 – Middle Lake Uraniferous Pegmatite Anomalies 1, 3, 4, and 5*

The showing is in an area southeast of Jewison Lake and northeast of Middle Lake. The showing area is underlain by Archean Johnson River Inlier fine-grained granite which is unconformably overlain by basal Wollaston Domain pelitic to semi- pelitic biotite gneiss with intercalated quartzite. These supracrustal rocks have been intruded by a series of pegmatite and aplite dykes.

Eight airborne anomalies were located in the area. Three of the anomalies are in NTS area 64-E-14 and extend along a north-northeast-trending zone. The anomalies occur 0.4, 0.55 and 0.7 miles (0.6, 0.89 and 1.1 km) north-northeast of the northeast tip of Middle Lake. These anomalies are caused by weak uranium stain in quartzites and migmatized sediments as well as granite. The highest reading obtained was 1500 cps in a fracture trending 040°. Average readings are between 200 and 500 cps.

Ground checking of the anomalies led to the discovery of eight radioactive occurrences. Five of these are located within NTS area 64-E-14 and three are along strike and extend into NTS area 64-E-15. The anomalies are located along the same north-northeast-trending zone as the airborne anomalies. Anomalies 1, 2, 3, 4 and 5 are located 0, 0.55, 0.75, 1.0 and 1.3 miles (0, 0.89, 1.2, 1.6 and 2.1 km) north-northeast of the northeast tip of Middle Lake, respectively.

Anomaly No. 1 consists of weak uranium stain which returned a scintillometer reading of 300 cps. Anomaly No. 3 consists of a 1000 ft (304.8 m) aplite dyke which cuts granite. The dyke returned an average reading of 600 cps. Anomaly No. 4 consists of a 6 by 4-inch (15.2 by 10.2 cm) biotite pod hosted within a quartz vein and exhibiting uranium oxide stain. A reading of 5000 cps was returned but trenching failed to reveal any extensive mineralization. Anomaly No. 5, consists of a 50 ft (15.2 m) long fracture, occurring in a 2 ft (0.6 m) wide quartz-feldspar-pegmatite sill within a narrow band of biotite hornblende gneiss. Readings of 500 to 6500 cps were returned along the fracture. Uranium staining is apparent, and trenching revealed more staining along a cross fracture.



In 1966, Falconbridge Permit No. 2 was covered by a reconnaissance geological survey and a geochemical sampling program. Results were inconclusive. The area was known as Partridge Permit No. 1 in 1967. Only reconnaissance prospecting was done in 1967 and nothing encouraging was found in the showing area.

The area was subsequently acquired by Great Plains (Great Plains Permit No. 1) in 1968. Questor Surveys Ltd. was commissioned to complete airborne EM and Magnetic surveys. Most anomalies were believed to be due to formational conductivity and represent syngenetic sulphides and/or graphite. They were not considered significant.

Up until 1968, exploration activity was concentrated on locating base metal sulphide occurrences. In 1969, emphasis was placed on uranium exploration. Questor Surveys Ltd. flew a radiometric survey for Great Plains. This was followed by ground checking of anomalies. Most anomalies were caused by boulder trains, frost heaves, and/or outcrops of granite. This survey led to the delineation of the airborne anomalies, which in turn led to the discovery of the anomalies comprising the fractures.

Four diamond drill holes were completed in 1969 but failed to reveal significant uranium mineralization.

Great Plains Permit No. 1 was allowed to lapse but the Jewison Lake area was covered by CBS 2900. In 1970, work in this area of interest included prospecting, radon-222 water sampling and diamond drilling. Great Plains concluded that the uranium mineralization was uneconomic and recommended that the claim be allowed to lapse.

(Source: <https://applications.saskatchewan.ca/Apps/ECONApps/dbsearch/MinDepositQuery/default.aspx?ID=1710>)

#### *SMDI 1832 – Fire Eye Lake Uranium Occurrence*

The showing is located on the north shore of Fire Eye Lake and 1.12 miles (1.8 km) southeast of the Middle Lake Uranium Occurrences which constitute SMDI 1710.

The showing area is underlain by Archean Johnson River Inlier cream to white flasered quartz monzonite to granite. Locally, the Archean granites are unconformably overlain by a series of basal Wollaston Group graphitic pelitic to semipelitic biotite gneisses with significant intercalated meta-arkose, calc-silicate, impure marble, and metadiorite horizons.

The claims on which the showing was discovered are underlain by a large, northeast-trending, Archean granite ridge. High radioactivity (5 to 6 times normal background) was detected on the western side of this ridge. The radioactive zone was stripped and trenched - to expose two narrow (2 to 3 ft or 0.6 to 0.9 m wide), discontinuous zones which consisted of anomalous uranium mineralization within silicified metasediments along the west side of a granite ridge.

To the north, the zone of radioactive metasediments pinches out into granite. To the south, the zones are covered by thick overburden. Grab samples of the trenched material returned values of 0.27%, 0.34%, 0.08%, and 0.03% U<sub>3</sub>O<sub>8</sub>. The mineralization corresponds to conductive zones on EM. This suggested that the uranium may have been associated with graphite. No graphite, however, was noted.

The area was held as Great Plains Petroleum Permit No. 1. Considerable work including airborne and ground EM surveys, gravity surveys, geological mapping and diamond drilling was carried out on the permit prior to 1971 but the main target of the exploration was Pb-Zn mineralization; no mention was made of uranium. The permit was allowed to lapse in February 1971.

The area of the showing was staked as CBS 4813 on December 7 1976, by C.W.D. Investments. An exploration program comprising geological mapping and scintillometer surveys was initiated in 1977 and the anomalous uranium was noted (AF 64E13-0017). In 1978, an EM survey was carried out outlining anomalous zones (AF 64E14-0021). The mineralization appeared to correspond to conductors delineated during these surveys, and further work was recommended. The Property, however, was allowed to lapse July 1 1980.

On March 18 1981, the area was restaked as CBS 7241 by D. Carlson; no assessment work was reported, and the Property lapsed in October of 1983 (Source: Assessment Report 64E14-0017;-002).

#### *Regional Data Compilation*

Maps compiled from historical lake sediments studies and equivalent uranium (eU) data available from the Mineral Administration Registry Saskatchewan and the SMDI are presented in Figures 5 and 6. The map of lake sediments show that the western part of the Fire Eye Property is relatively more favourable for uranium exploration than the eastern part. Similarly the eU map also coincides with these observations.

Figure 5: Lake sediments map

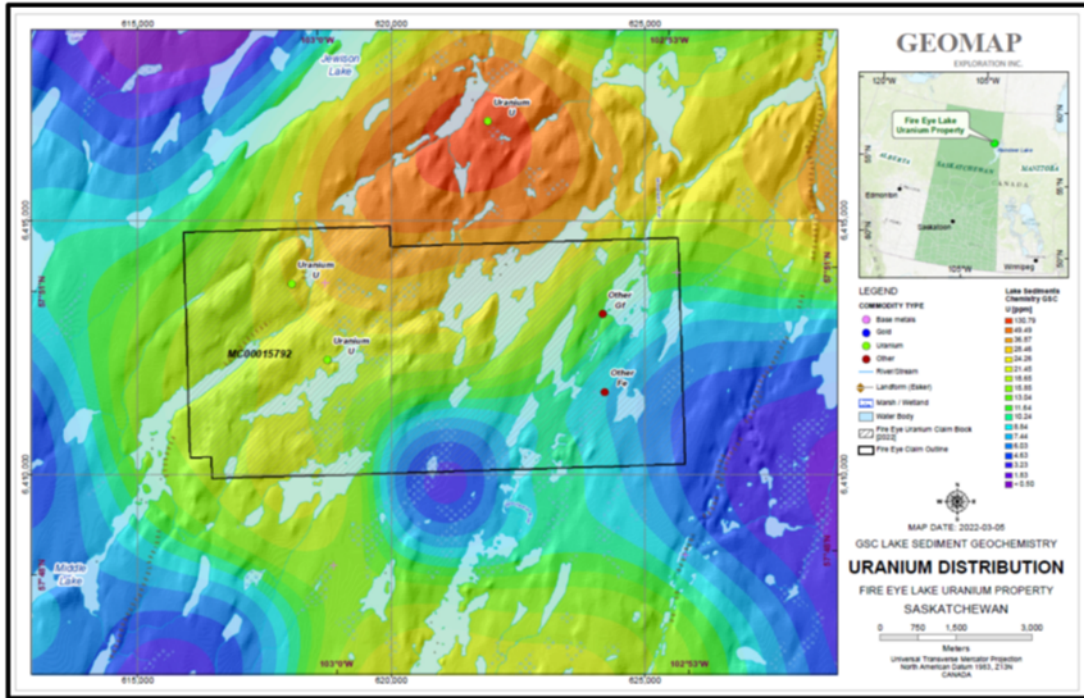
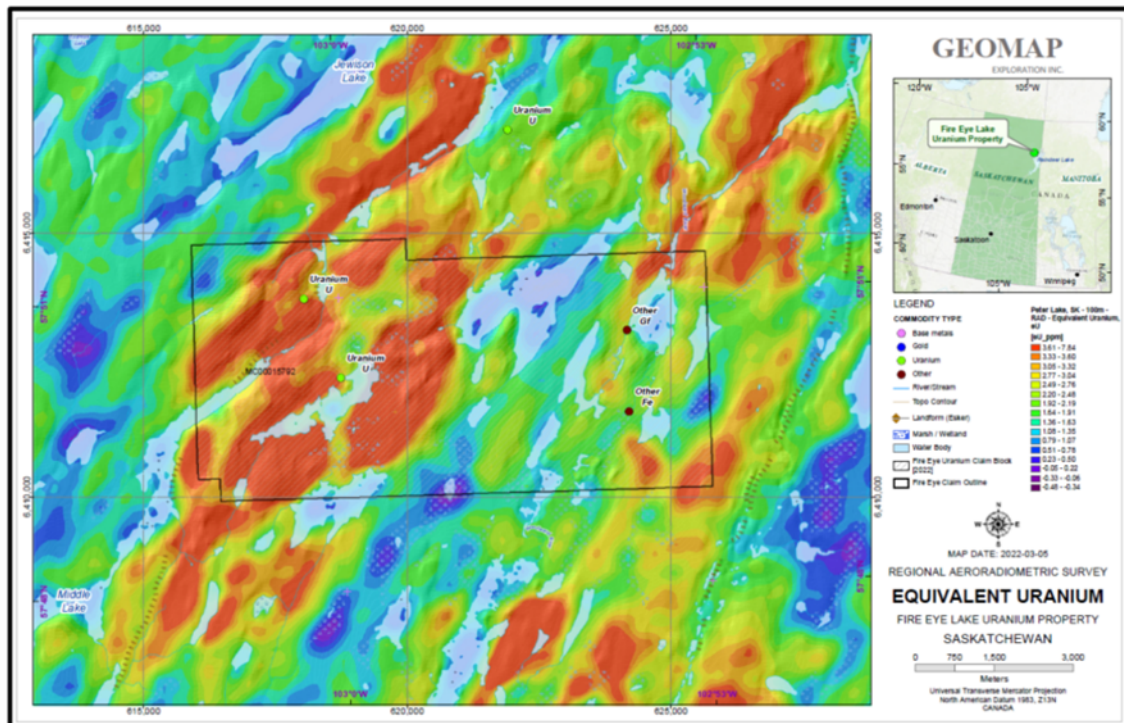


Figure 6: eU Map of the Property



## Geological Setting and Mineralization

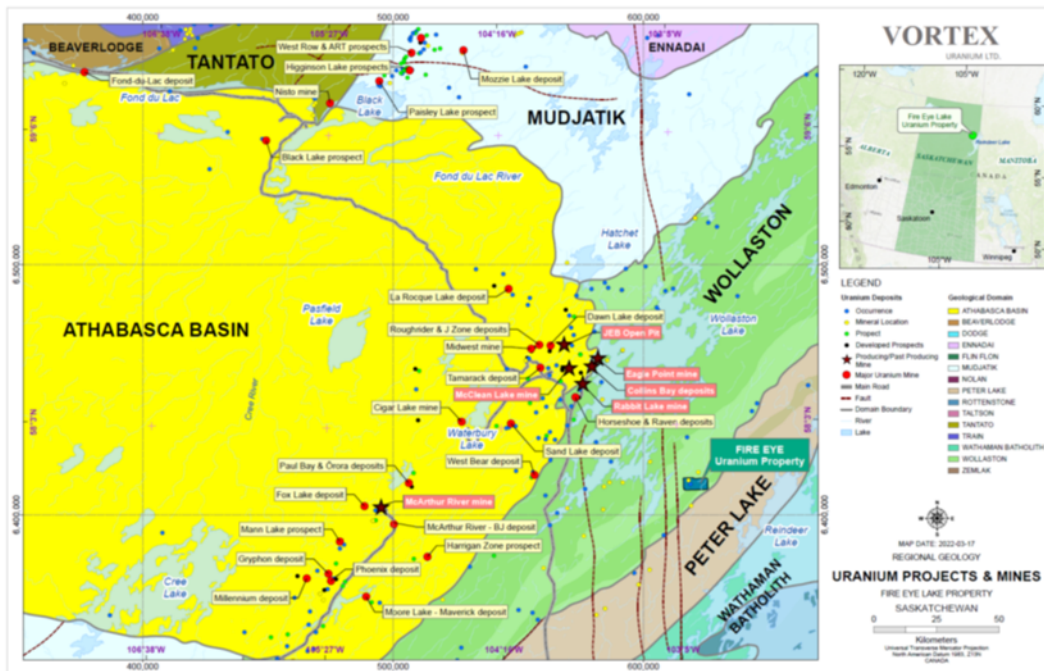
### Regional Geology

The Athabasca Basin is in northern Saskatchewan and Alberta. It consists of Paleo- to Mesoproterozoic siliciclastic rocks that unconformably overlie Archean to Paleoproterozoic basement rocks of the Canadian Shield (Jefferson et al., 2007). The Fire Eye Property is part of the eastern Athabasca Basin within the Wollaston Domain Supergroup.

The Wollaston Domain comprises an Apehebian supracrustal succession, the Wollaston Group (Ray, 1977), a sequence that is considered to be 3-4 km thick. Within the Group, four main lithostratigraphic units have been distinguished. The coarse clastic basal unit (Quartzite Unit) comprises mature quartzitic to arkosic metasediments, basal quartz conglomerate, and semipelitic to pelitic muscovite and biotite schists. It is underlain in some places by a sequence of immature meta-arkoses. The second unit is dominantly pelitic and typically graphitic. It contains interlayers of quartzitic psammites, calc-silicates, and locally marbles. The Lower pelitic unit lies directly on the Archean basement throughout most of the Wollaston and Mudjatik domains. It is considered to be the most favourable horizon for the location of uranium deposits. The pelitic unit is succeeded by a thick and extensive, monotonous sequence of calcareous and non-calcareous meta-arkoses, interlayered with subordinate calc-silicate, carbonate, and pelitic-semipelitic metasediments. Finally, the stratigraphic column ends with an upper amphibolite-quartzite unit characterized by these two rock types with interlayered calcareous sediments and graphitic pelites. This unit (the “Hidden Bay Assemblage”) is only reported in the Wollaston Lake area (Sibbald 1983).

During the Hudsonian orogeny, the Wollaston Group underwent polyphase deformation and low- to intermediate-pressure, upper amphibolite facies metamorphism. Three main deformational events have been recognized. Folding during the second event produced northeast-southeast-elongated domes and basins. Hudsonian magmatic activity is marked by concordant and discordant granitic to pegmatitic lenses, veins, and bodies of quartzo-feldspathic composition. Rb - Sr whole-rock and U - Pb zircon methods give ages of 2636 Ma, 2594 Ma, and 2494 Ma for rocks from the granitic domes, whereas younger granitic intrusions of the Wollaston Domain yield an Rb-Sr age of 1765 Ma. The Hudsonian orogeny was followed by a long period of erosion and intense lateritic weathering, as indicated by the presence of a regional altered zone (the “Regolith”), which is well preserved everywhere under the Athabasca Group (MacDonald 1983). Development of the Regolith was initiated at least 1633 Ma ago.

Figure 7: Regional Geological Map with Uranium Projects & Mines





## Property Geology

The area northeast of Woodward Lake is underlain by the Middle Lake granite portion of the Archean Johnson River Inlier. Unit Wfn consists of a sheared granite which contains local inclusions of pelitic schist, amphibole, and/or metadiorite. The granite is, locally overlain by basal Wollaston Group unit Wpsn of a series of fine- to medium-grained, graphitic, pelitic to semipelitic biotite gneiss with intercalated intervals of meta-arkose and meta quartzite. The showing was described by prospectors as outcrops of felsic and mafic metasediments and boulders of poorly mineralized (pyritic) gabbro.

SMDI 0606 – Woodward Lake showing area is underlain by the Middle Lake granite portion of the Archean Johnson River Inlier. Unit Wfn consists of a sheared granite which contains local inclusions of pelitic schist, amphibole, and/or metadiorite. The granite is, locally overlain by basal Wollaston Group unit Wpsn of a series of fine- to medium-grained, graphitic, pelitic to semipelitic biotite gneiss with intercalated intervals of meta-arkose and meta quartzite. The showing was described by prospectors as outcrops of felsic and mafic metasediments and boulders of poorly mineralized (pyritic) gabbro.

SMDI 1710 – Middle Lake Uraniferous Pegmatite Anomalies 1, 3, 4, and 5 showing area is underlain by basal Wollaston Domain pelitic to semipelitic biotite gneiss with intercalated quartzite (Pgp Unit on Figure 8). These supracrustal rocks have been intruded by a series of pegmatite and aplite dykes.

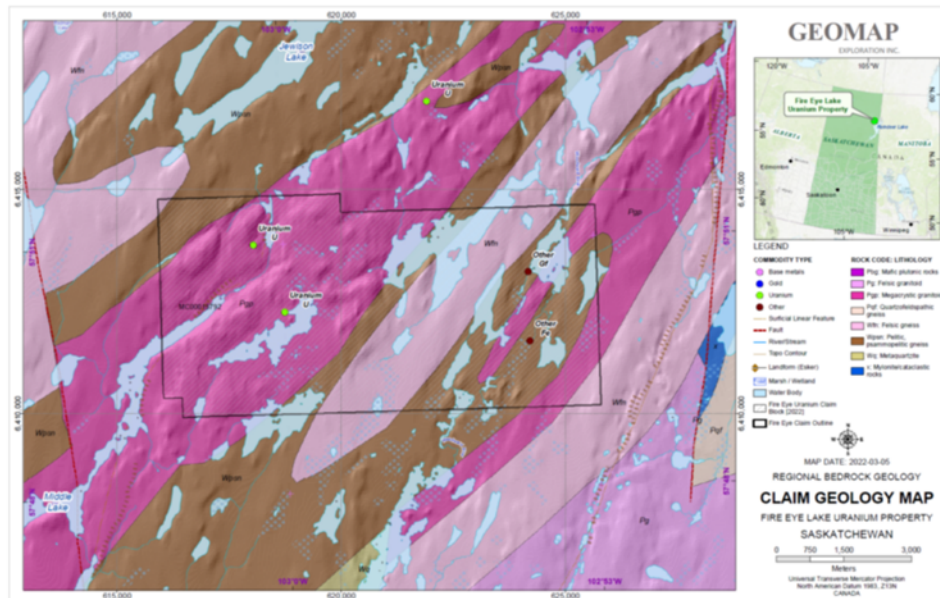
SMDI 1832 – Fire Eye Lake Uranium Occurrence is in an area underlain by Archean Johnson River Inlier cream to white quartz monzonite to granite. Locally, the Archean granites are unconformably overlain by a series of basal Wollaston Group graphitic pelitic to semipelitic biotite gneisses with significant intercalated meta-arkose, calc-silicate, impure marble, and metadiorite horizons.

## Mineralization

Mineralization on the Fire Eye Property consists of anomalous uranium and a suite of associated elements including copper, nickel, thorium, and lead. Mineralization appears to be structurally controlled by shearing and occurs in a generally north-south trend through the center of the Fire Eye Property. Host rocks are generally pelitic gneisses containing graphite and pegmatite intrusions.

Gneisses can be strongly silicified and contain calc-silicates. Alteration products include hematite and chlorite on fracture surfaces. Sulfide mineralization occurs as disseminations and stringers and includes pyrite and minor pyrrhotite.

Figure 8: Property Geology





## *Deposit Types*

The Athabasca Basin is home to the largest reserves of uranium on the planet. Covering about 100,000 square kilometers of the Canadian Shield in Northern Saskatchewan and Alberta, the basin's surface is made up of about 100 to 1,000 meters of sandstone with high-grade uranium deposits located under the sandstone layer. The Athabasca Basin is known not just for the quality of its uranium but also the quantity, with 10 of the 15 highest-grade uranium deposits in the world located within the basin. Some of the key deposits within the Athabasca Basin include the Key Lake, Phoenix, McArthur River and Cigar Lake deposits, each containing between 15 and 20 percent uranium.

(Source: <https://sightlineu3o8.com/2019/04/uranium-exploration-in-canada-the-athabasca-basin/>)

Two types of deposits have provided uranium ore for current and historic mining operations in the Athabasca basin. Monometallic deposits are generally basement hosted veins, breccias fillings and replacements of uraninite associated with fault zones. Polymetallic deposits are commonly sub horizontal, semi-massive replacements of uraninite forming lenses just above or straddling the unconformity, and are associated with variable amounts of uranium, nickel, cobalt and arsenic and traces of gold, platinum-group elements, copper, rare-earth elements and iron (Jefferson et al., 2007).

Fundamental aspects of the Athabasca unconformity-type uranium deposits are reactivated basement faults and the action of oxidizing and reducing hydrothermal fluids. Brittle reactivated faults typically rooted in the basement graphitic-pelitic gneiss, are manifest upward, with brittle expression, through the overlying sandstones. These faults provide conduits for the mineralizing fluid system. The reducing fluids originated in the basement and were channeled along basement faults. The oxidizing fluid originated within the Athabasca sediments and circulated within the inherent basin porosity. Circumstances which allowed these two fluids to mix and precipitate uranium arose in suitable structural environments and areas of fluid focus at or near the basal Athabasca-basement unconformity. Mineralization may also occur in "perched" locations within sandstone fault structures, well above the unconformity (Jefferson et al., 2007).

Two endmembers of the unconformity deposit model (Figure 10) have been defined, a sandstone-hosted egress-type model involved the mixing of oxidized, sandstone brine with relatively reduced fluids issuing from the basement into the sandstone. Basement-hosted ingress-type deposits (e.g. Rabbit Lake) formed by fluid-rock interactions in which oxidizing sandstone brines entered basement fault zones and the local adjacent wall rocks (Jefferson et al., 2007). The Fire Eye Uranium deposit model is targeted to falls in the second category "basement hosted ingress type".

Exploration criteria for unconformity related uranium deposits includes study of aquifers along the unconformity, mapping brittle reactivated faults, crosscutting local structures and alteration (e.g. silicification, clay minerals, and dissolution) which were found to be the dominant controlling factors of the uranium enriched fluid flow at the deposit sites. These studies can be done using various exploration tools in a phased exploration work program which can include: ground prospecting; sampling and mapping; geochemical surveys; ground geophysical and radiometric surveys; trenching and channel sampling; and diamond core drilling.

Uranium mineralization in the basement hosted deposits occurs in a variety of styles including (1) massive replacement, (2) fracture filling veins, (3) fine-grain aggregates associated with "mini" roll fronts, and (4) disseminated grains. Massive replacement uraninite is associated with chlorite whereas fracture filled uraninite is associated with euhedral quartz-carbonate veins. These two styles of uranium mineralization constitute the majority of the ore whereas fine-grain aggregate and disseminated uraninites are minor components of the ore. The Millennium uranium deposit is a recent discovery in the basement hosted uranium deposits, located 35 km north of the Key Lake mine, occurs between two subparallel reverse faults. The Millennium deposit is hosted in a package of pelitic-psammopelitic gneisses/schists, with minor intercalated calc-silicates, amphibolites, and pegmatites in the hanging wall of a major reverse fault. The pelitic-psammopelitic units that hosts "main zone" of uranium mineralization is situated between a faulted graphitic-cordierite pelite known as the "marker unit" and the reverse fault (Fayek M., et.al, 2010). The Fire Eye Property has geological similarities with Millennium deposit as it is underlain by Unit Wfn consists of a sheared granite which contains local inclusions of pelitic schist, amphibole, and/or metadiorite. The granite is, locally overlain by basal Wollaston Group unit Wpsn of a series of fine- to medium-grained, graphitic, pelitic to semipelitic biotite gneiss with intercalated intervals of meta-arkose and meta quartzite. Detailed structural studies need to be carried out to understand basement reactivated faults within the six areas of interest ("AOI") interpreted as a results 2022 airborne geophysical survey data which is described in Section 9.2 of the Fire Eye Property Technical Report.

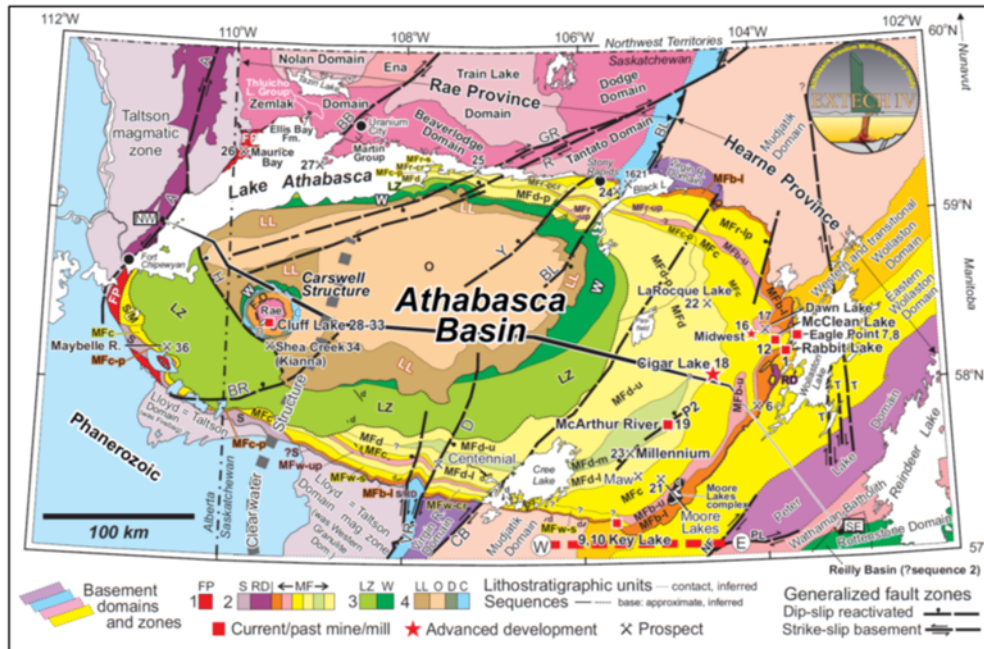
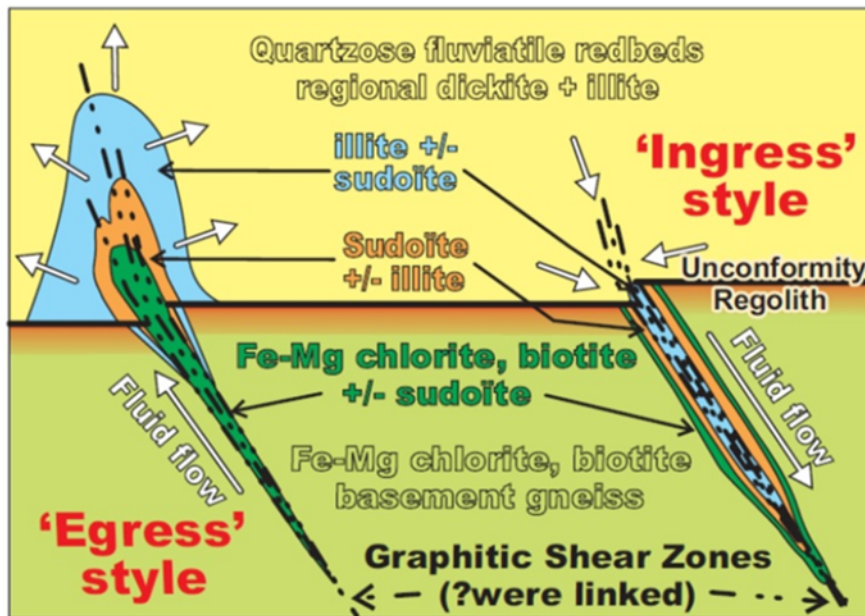


Figure 9: Geological setting and unconformity associated uranium occurrences of the Athabasca Basin (Jefferson et al., 2007).

Figure 10: Diagrammatic explanation of 'egress'- versus 'ingress'-style alteration zones for unconformity-associated uranium deposits ((Jefferson et al., 2007)



### Exploration

On March 14, 2022, Géo Solutions Données GDS/Geo Data Solutions GDS Inc. (“GDS”) was contracted by Geomap Exploration Inc. to complete a high-resolution helicopter-borne magnetic survey on the Fire Eye Property. The geophysical survey data interpretation was carried out by Shahab Tavakoli, P.Geo. of Vancouver, BC. This section provides details of the survey and its results.

### 2022 Airborne Geophysical Survey

The airborne geophysical survey contract entailed GDS to carry out a high-resolution helicopter-borne magnetic survey on the Fire Eye Property. The survey was flown from March 25-27, 2022. The contract required the execution and compilation of digitally recorded high sensitivity helicopter-borne magnetic survey consisting of 1,039 line-km over a single block with nominal traverse and control line spacing were 50 m and 400 m, respectively. A predetermined flight surface (known as drape) having a rate of climb and descent of 20% was used as a guide for the pilot. As a result, the pilot maintained an average ground clearance of 37 m for the helicopter. Determined from the fourth difference of the lagged and corrected airborne magnetic data, the noise level for the measured total magnetic field was well within the accepted limits. GPS results proved to be of high quality. The flight path was surveyed accurately according to the digital elevation model available. The speed checks showed no abnormal jumps in the data.

**Table 2: The nominal spacing and survey directions details**

Area	Traverse Line			Tie Line			Total
	Azimuth	Line-km	Spacing	Azimuth	Line-km	Spacing	
Fire Eye Lake	N358°E	917 km	50 m	N88°E	122 km	400 m	1039 km

The magnetometer used for heliborne survey was a cesium G-822 sensor measuring the Earth's total magnetic field intensity (“**TMI**”) in nanotesla (“**nT**”). GDS established its base of operations at Km 147 Lamp Lighters Lodge in Courtenay Lake (Figure 11), located 75 km southwest of the survey area, and a magnetic base station was set up in a magnetic noise-free location, away from magnetic objects, vehicles, and DC electrical power lines. A GEM Overhauser ground magnetometer with a combined GPS system was used as a ground base station recorded the total intensity of the Earth's magnetic field with a resolution of 0.01 nT.

The airborne magnetic data were corrected for diurnal drift and system parallax (lag). After all known systematic error corrections have been made, standard tie-line levelling and micro-levelling procedures were also applied to perform final leveling of the data. To produce the Residual Magnetic Intensity (“**RMI**”) and its derivatives, the International Geomagnetic Reference Field was removed from the levelled data by calculating a channel from the year 2020 model with a constant survey date and a constant elevation. The grid of the RMI and its First and Second Vertical Derivatives were calculated by using the minimum curvature algorithm of Geosoft Montaj and gridded with a cell size of 12.5 m, equivalent to one quarter of the line spacing. Computation of the First Vertical Derivative (“**FVD**”) removes long - wavelength features of the magnetic field and significantly improves the resolution of closely spaced and superposed anomalies. The grid of the FVD was computed from the gridded RMI data using a fast Fourier transform.

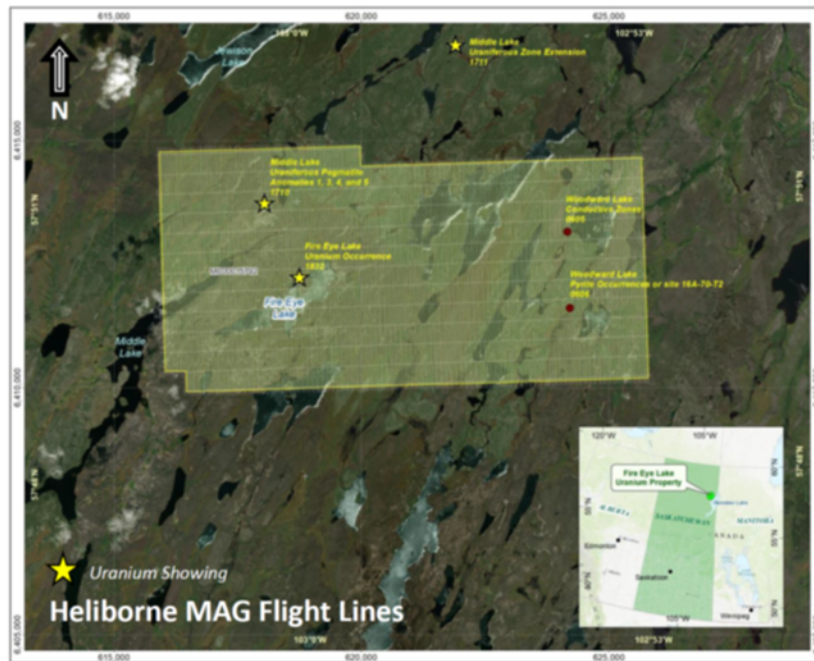
The geophysical database derived from the heliborne survey comprises of a geodatabase including:

- I. Residual total magnetic intensity measurements in nT.
- II. FVD of the residual total magnetic field measurements (FVD) in nT/m.
- III. Second Vertical Derivative of the residual total magnetic field measurements (SVD) in nT/m<sup>2</sup>.
- IV. Digital Terrain Model derived from the laser altimeter values and GPS elevation data in m.

Figure 11: Survey area and base of operations



Figure 12: Location of magnetic geophysical survey flight lines



### Geographical Survey Data Processing and Results

The magnetic data were transformed with the inclination angle of 78.6 degrees and the declination angle of 6.5 degrees. A simple reduction to the pole (“RTP”) transformation is a processing step which allows for easier interpretation of magnetic data. The major effect of the RTP is to relocate anomaly maxima over the causative bodies. Each RMI grid shows variable amplitudes which is an indication of susceptibility contrast of the different rock types across the survey area. In areas where the RMI shows a significant magnetic HIGH, the area could be underlain with mafic or ultramafic rocks rich in magnetite or pyrrhotite. The RMI map of the study area (TMI) illustrates the anomalies of high and low

magnetic intensity values of -17.51nT to +1896.7nT with prevailing NE-SW trend which is dominated by the Wollaston Group trend (Figure 13).

The Figure 13 interpretation map vividly shows that the survey area is divided into three major magnetic regions that are distinguished based on the strength of magnetic responses. The pelitic, psammopelitic gneisses (*Wpsn*) of Wollaston Group, **REGION [A]**, are categorized by HIGH magnetic responses with numerous subtle, northeasterly trending linear anomalies. Those linear magnetic anomalies seem to be associated with strongly foliated and lineated marginal assemblage transitional to the Peter Lake megacrystic granitoids (*Pgp*). Middle Lake uraniumiferous pegmatite-hosted occurrence (SMDI 1710) in this transitional area is basically underlain by the Peter Lake fine-grained granitoids which seem to be unconformably overlain by the Wollaston Domain pelitic to semipelitic biotite gneisses with intercalated quartzite intruded by a series of graphite-bearing pegmatite and aplite dykes.

In contrast, Megacrystic granitoids (*Pgp*) of the Peter Lake Complex in the middle of the survey area, **REGION [B]**, are mainly categorized by LOW magnetic responses with several high northeasterly magnetic features superimposed on them. Those high-amplitude linear anomalies could be aeromagnetic expression of the pelitic, psammopelitic gneisses (*Wpsn*) and felsic gneisses (*Wfn*) of the Wollaston Group.

Those linear high magnetic anomalies seem to be associated with strongly foliated and lineated graphite bearing pelitic to semi-pelitic rocks of the Wollaston Group interbedded with the Peter Lake megacrystic granitoids (*Pgp*). Fire Eye Lake showing, a sedimentary-hosted uranium occurrence on the north shore of Fire Eye Lake, is basically underlain by the Peter Lake granites or granitoids of Archean age. Locally, the Archean granites are unconformably overlain by a series of basal Wollaston Group graphitic pelitic to semipelitic biotite gneisses. Northerly trending faults and fractures that offset metasediments are clearly associated with low magnetic responses in this area.

**REGION [C]** on the east side of the Fire Eye Property is mainly categorized by HIGH magnetic responses of the pelitic, psammopelitic gneisses (*Wpsn*) of the Wollaston Group with numerous subtle, northeasterly trending linear features. Those linear magnetic responses are associated with strongly foliated and lineated pelitic rocks rich in magnetite and pyrrhotite interlayered with the Peter Lake megacrystic granitoids (*Pgp*).

To facilitate the visual correlation of residual magnetic anomalies with geological features, the map shown in Figure 13 represents aeromagnetic anomalies displayed on the regional surface geology. The most obvious correlation is between sandy psammitic meta-arkosic gneiss (*Wpsn*) of the Wollaston Group and high magnetic responses. Sharp spikes in the magnetic field in this geological group is most likely associated with graphite-bearing pelitic rocks (*Wfn* & *Wpsn*). High graphite content is one of the characteristics of intense-shearing zones; graphite probably gets concentrated as they developed along such shear zones (Annesley & Madore, 1988).

The superimposition of current MAG-TDR anomalies on regional radiometric characteristics reflects six areas of high uranium concentrations or AOI within REGION [B]. The result clearly indicates zones of relatively high concentration of Uranium that are spatially coincident with existing uranium occurrences and the boundaries between the Wollaston Group and the Peter Lake Complex where anomalous magnetic and radioactive features present (Tavakoli, 2022).

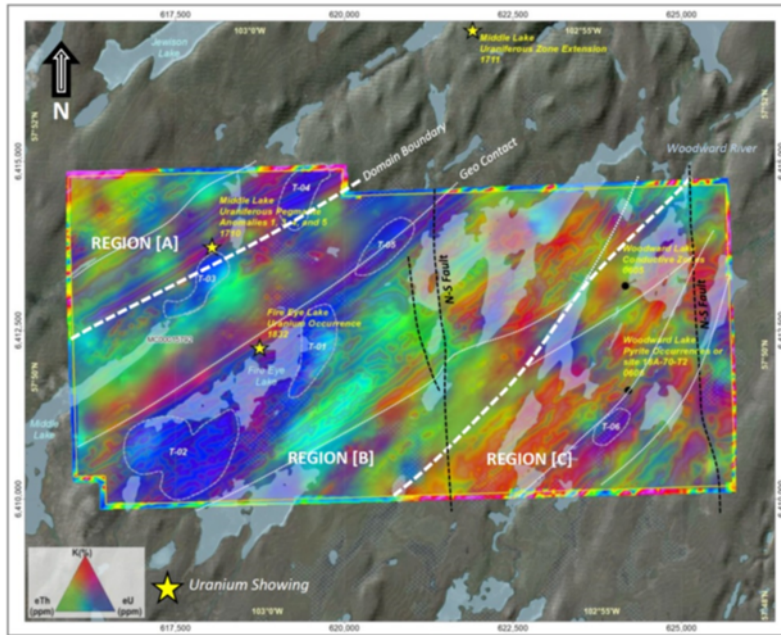
Six AOI with high uranium concentrations have been selected and sequentially prioritized as potential targets from this geologically complicated and geophysically favourable area:

- Areas of T-01, T-02, T-03, and T-04 are categorized as highly prioritized AOI along or in the vicinity of the geological contact that defines the boundary between Magnetic LOWs and Magnetic HIGHs in REGIONS [A] and [B]. T-01 on the east side of Fire Eye Lake has given higher target priority since it seems to have relatively higher concentration of Uranium.
- Area of T-05 is categorized as moderately prioritized AOI along or in the vicinity of the geological feature that probably defines a boundary between the Peter Lake Granitoids and metasedimentary rocks of the Wollaston Group within REGION [B].
- Area of T-06 is categorized as low prioritized AOI. In the southeastern part of the Fire Eye Property (REGION [C]), T-06 shows relatively lower concentration of Uranium; however, it is coincident with anomalously magnetic features, strongly sheared Iron-bearing metasediments, in the vicinity of Woodward Lake. Although it shows relatively moderate radiometric responses in terms of the concentration of Uranium,



no significant radioactive minerals were reported in this area.

**Figure 13:** Superimposition of 2022 survey MAG-TDR anomalies on historical radioelement map (K= Red, eTh=Green, eU= Blue), Dark blue AOI within target area B



### *Geological Survey Recommendations*

- I. Since the interpretation of this geophysical survey was done in the absence of the most recent detailed local geology, further ground truthing of the magnetic anomalies and radiometric responses is recommended to be followed up on to determine if those anomalies are related to mineralization, fault zones, structural contacts, or overburden response.
- II. Future positive assay results from the surface soil/rock sampling program in the survey area will warrant further detailed ground geophysical work to be expanded and completed in the areas of higher uranium enrichment.
- III. Some areas of highest priority be tested by high resolution ground EM and Gamma-Ray Spectrometry to validate airborne magnetic anomalies and radiometric responses to define the geometric parameters of the target features to further delineate targets in depth throughout the Fire Eye Property.
- IV. An advanced level interpretation of the magnetic and EM data including 2D/3D inversion modelling of MAG and EM data may be warranted to integrate with detailed geology and petrophysical properties to investigate the vertical extend of magnetic and EM anomalies in areas of high uranium concentration.

### *Drilling*

No drilling has been done on the Fire Eye Property by the Corporation.

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

The Author visited the Fire Eye Property on March 24, 2022. One grab sample was also collected during his property visit (Table 3) from a pegmatite rock outcrop. The sample was collected in the field by placing over 1kg of material in a heavy grade plastic sample bag with the sample number written with permanent marker. The sample was recorded as to location (UTM -NAD 83), sample type (grab), exposure type (outcrop), lithology, colour, texture, and grain size. Sample location was determined by hand-held GPS set to report locations in UTM coordinates using the North American Datum established in 1983 (NAD 83) Zone 13N. The sample was delivered securely by the Author to the

ALS Laboratories in North Vancouver, British Columbia, British Columbia. ALS Laboratories are independent group of laboratories accredited under both ISO 17025 with CAN-P-1579 for specific registered tests. The sample was prepared at ALS Canada Ltd. (“ALS”) and was analyzed at its location in North Vancouver. ALS is qualified and experienced in handling NORM samples in every area with active uranium exploration and mining, with added lab certification in certain jurisdictions. The sample was prepared and assayed using ALS labs package MEMS61U which includes full 48 element suite from ALS package ME-MS61™, optimized for U with specific certified reference materials for superior quality control (0.25g sample) as illustrated in the table below.

SAMPLE PREPARATION		
ALS CODE	DESCRIPTION	
WEI-21	Received Sample Weight	
LOG-21	Sample logging - ClientBarcode	
CRU-QC	Crushing QC Test	
CRU-31	Fine crushing - 70% <2mm	
SPL-21	Split sample - riffle splitter	
PUL-31	Pulverize up to 250g 85% <75 um	

ANALYTICAL PROCEDURES		
ALS CODE	DESCRIPTION	INSTRUMENT
ME-MS61U	4A Multi-element ICP-MS + Uranium	

The sample results (Table 4) show low values of uranium and thorium. The analytical results provided by laboratories did not identify any significant analytical issues. For the present study, the sample preparation, security, and analytical procedures used by the laboratory are considered adequate and the data is valid and of sufficient quality.

Photo 2: Fire Eye Lake Uranium Occurrence Sample Location Picture, March 24, 2022



**Table 3: Fire Eye Rock Sample detail**

Sample ID	Nad83_Z13 Northing	Nad83_Z13 Easting	Elev (m)	Date	Description
B837756	618747	6142051	442	24-Mar-22	Sample of Pegmatite collected from large 30 meter wide by ~ 5 meter high exposure. Sample contains interlocking amorphous crystals of quartz and plagioclase feldspar (~80%). Interstitially within the felsic minerals mafic minerals such as biotite, hornblende and potentially augite complete the ground mass (~20%). trace amounts of pyrite and bornite are observed within the margins of the mafic minerals predominantly.

**Table 4 : Sample assay results**

ME-MS61U									
SAMPLE	Ag	Ba	Cu	Fe	Ga	La	Li	Mn	Nb
DESCRIPTION	ppm	ppm	ppm	%	Ppm	ppm	ppm	ppm	ppm
B837756	0.03	1270	5.5	3.12	25.8	27.4	61.5	581	38.5
ME-MS61U									
SAMPLE	Ni	Pb	Rb	Ta	Th	U	V	Y	Zr
DESCRIPTION	ppm	ppm	ppm	ppm	Ppm	ppm	ppm	ppm	ppm
B837756	7.4	40.5	282	1.6	7.04	2.4	49	33	226

### Data Verification

The Author visited the Fire Eye Property on March 24, 2022, to verify historical and current exploration work, to examine mineralized outcrops, to collect necessary geological data, to take infrastructure, and other technical observations and to assess the potential of the Property for discovery of copper and other mineralization. During the visit of the Fire Eye Property, GPS coordinates using NAD 83 datum to mark sample locations and rock outcrops. Majority of the Fire Eye Property area was covered with snow during the property visit, and only a few outcrops were visible which limited the field observations of the historical mineralization reported on the Fire Eye Property. The Author collected one sample from, as well as, inspected a pegmatite outcrop about 60 meters away from the historical Fire Eye Lake uranium showing confirming local geology.

On May 02, 2022, the Author carried out a review of claim status using the Government of Saskatchewan Mining and Petroleum GeoAtlas website. However, the limited research by the Author does not express a legal opinion as to the ownership status of the Fire Eye Property.

The Author reviewed assay certificates and report maps to check for transposition errors. In the opinion of the Author, the data presented is of adequate quality for use in the subject report.

Historical grades and assay data are taken from the MARS Saskatchewan, the SMDI and available information at the Saskatchewan Mineral Exploration and Mining Online Database, the GSC which are deemed reliable. Historical geological descriptions taken from different sources were prepared and approved by the professional geologists or engineers and verified by the Author during the Fire Eye Property visit and in preparation of this report. Overall, the Author is of the opinion that the data verification process demonstrated the validity of the data and considers the Fire Eye Property database to be valid and of sufficient quality.



Photo 3: Exposed outcrop on the Property



#### ***Mineral Processing and Metallurgical Testing***

No metallurgical testing was done on the Fire Eye Property by the Corporation.

#### ***Mineral Resource and Mineral Reserve Estimates***

No mineral resource estimates were done on the Fire Eye Property by the Corporation.

#### ***Interpretations and Conclusions***

Geologically, the Fire Eye Property is part of the eastern Athabasca Basin within the Wollaston Domain Supergroup, a sequence that is considered to be 3-4 km thick. Four main lithostratigraphic units have been distinguished. The coarse clastic basal unit (Quartzite Unit) comprises mature quartzitic to arkosic metasediments, basal quartz conglomerate, and semipelitic to pelitic muscovite and biotite schists. It is underlain in some places by a sequence of immature meta-arkoses. The second unit is dominantly pelitic and typically graphitic. It contains interlayers of quartzitic psammites, calc-silicates, and locally marbles. The Lower pelitic unit lies directly on the Archean basement throughout most of the Wollaston and Mudjatik domains. It is considered to be the most favourable horizon for the location of uranium deposits. The pelitic unit is succeeded by a thick and extensive, monotonous sequence of calcareous and non-calcareous meta-arkoses, interlayered with subordinate calc-silicate, carbonate, and pelitic-semipelitic metasediments. Finally, the stratigraphic column ends with an upper amphibolite-quartzite unit characterized by these two rock types with interlayered calcareous sediments and graphitic pelites. This unit (Hidden Bay assemblage) is only reported in the Wollaston Lake area (Sibbald 1985).

The Fire Eye Property area is underlain by the Middle Lake granite portion of the Archean Johnson River Inlier. Unit Wfn consists of a sheared granite which contains local inclusions of pelitic schist, amphibole, and/or metadiorite. Middle Lake Pegmatite Anomalies area is underlain by basal Wollaston Domain pelitic to semipelitic biotite gneiss with intercalated quartzite (Pgp Unit). These supracrustal rocks have been intruded by a series of pegmatite and aplite dykes. Fire Eye Lake Uranium Occurrence is in an area underlain by Archean Johnson River Inlier cream to white quartz monzonite to granite.

Two types of the unconformity related deposit subtypes have been defined for the Athabasca Basin, a sandstone-hosted egress-type model involved the mixing of oxidized, sandstone brine with relatively reduced fluids issuing from

the basement into the sandstone; and basement-hosted ingress-type deposits (e.g. Rabbit Lake) formed by fluid-rock interactions in which oxidizing sandstone brines entered basement fault zones and the local adjacent wall rocks. The Fire Eye Uranium deposit model is targeted to falls in “basement hosted ingress type” deposit category. Mineralization consists of anomalous uranium and a suite of associated elements including copper, nickel, thorium, and lead.

Two types of deposits have provided uranium ore for current and historic mining operations in the Athabasca basin and are considered suitable models for exploration work on the Fire Eye Property. Monometallic deposits are generally basement hosted veins, breccias fillings and replacements of uraninite associated with fault zones. Polymetallic deposits are commonly sub horizontal, semi-massive replacements of uraninite forming lenses just above or straddling the unconformity, and are associated with variable amounts of uranium, nickel, cobalt and arsenic and traces of gold, platinum-group elements, copper, rare-earth elements and iron

The most recent exploration work on the Fire Eye Property was carried out in March 2022 which included a high-resolution helicopter-borne magnetic survey and its interpretation. The contract required the execution and compilation of digitally recorded high sensitivity helicopter-borne magnetic survey consisting of 1,039 line-km over a single block with nominal traverse and control line spacing were 50m and 400 m, respectively. The geophysical survey data interpretation indicated that the survey area is divided into three major magnetic regions that are distinguished based on the strength of magnetic responses. The pelitic, psammopelitic gneisses (*Wpsn*) of Wollaston Group, REGION [A], are categorized by HIGH magnetic responses with numerous subtle, northeasterly trending linear anomalies. In contrast, Megacrystic granitoids (*Pgp*) of the Peter Lake Complex in the middle of the survey area, REGION [B], are mainly categorized by LOW magnetic responses with several high northeasterly magnetic features superimposed on them. REGION [C] on the east side of the Fire Eye Property is mainly categorized by HIGH magnetic responses of the pelitic, psammopelitic gneisses (*Wpsn*) of the Wollaston Group with numerous subtle, northeasterly trending linear features.

Based on the Fire Eye Property geology, recent survey data and historical work, six AOI with high uranium concentrations have been selected and sequentially prioritized as potential targets from this geologically complicated and geophysically favourable area:

- Areas of T-01, T-02, T-03, and T-04 are categorized as highly prioritized AOI along or in the vicinity of the geological contact that defines the boundary between Magnetic LOWs and Magnetic HIGHs in REGIONS [A] and [B]. T-01 on the east side of Fire Eye Lake has given higher target priority since it seems to have relatively higher concentration of Uranium.
- Area of T-05 is categorized as moderately prioritized AOI along or in the vicinity of the geological feature that probably defines a boundary between the Peter Lake Granitoids and metasedimentary rocks of the Wollaston Group within REGION [B].
- Area of T-06 is categorized as low prioritized AOI. In the southeastern part of the Fire Eye Property (REGION [C]), T-06 shows relatively lower concentration of Uranium; however, it is coincident with anomalously magnetic features, strongly sheared Iron-bearing metasediments, in the vicinity of Woodward Lake. Although it shows relatively moderate radiometric responses in terms of the concentration of Uranium, no significant radioactive minerals were reported in this area.

It is concluded that the Fire Eye Property is a property of merit with good potential to host a significant uranium mineralization because:

- the Fire Property hosts Archean- and Proterozoic-age metamorphic rocks of the Wollaston Super Group rocks;
- historical exploration shows that structurally controlled basement hosted uranium mineralization on the Fire Eye Property;
- three SMDI uranium showings occur on the Fire Eye Property; and

- six AOI with high uranium concentrations have been selected and sequentially prioritized as potential targets from this geologically complicated and geophysically favourable area.

Political uncertainty with local groups can be considered a significant risk. While both the Corporation and Geompa Exploration Inc. intend to work closely with all local groups, such as First Nations, opposition could delay exploration and development of the Fire Eye Property. The exploration permits for setting up a camp and carrying out drilling can be delayed if the community requires discussions on potential benefits or impacts of the exploration work. Continued dialogue with local groups will mitigate this risk.

The First Nation and Metis consultation process is summarized in a Policy Framework document (June 10, 2010) of the Government of Saskatchewan. The issuance of mineral dispositions under The Crown Minerals Act is not subject to this policy. This policy will apply where the Government is contemplating surface land use decisions related to mineral exploration and development that may have an impact on Treaty and Aboriginal rights and traditional uses. The consultation process has been categorized into five levels (Level 1 to 5) depending on potential impact on Aboriginal Rights and Traditional Uses.

The Author believes the present study has met its original objectives.

### ***Recommendations***

In the opinion of the Author, the character of the Fire Eye Property is enough to merit the following two-phase work program, where the second phase is contingent upon the results of the first phase.

#### *Phase 1*

Phase 1 work should be a ground follow up of the three historical SMDI uranium occurrences on the Fire Eye Property, as well as the six AOI interpreted as a results of 2022 geophysical survey and historical data interpretation. The work will include prospecting, geological mapping, and sampling. The areas with less rock outcrops can be covered with soil sampling work. The estimated Phase 1 program cost is \$261,635 and it will take 6-8 weeks' time to complete during the summer months from June to September.

#### *Phase 2*

If results from the first phase are positive, then a Phase 2 drilling program would be warranted to check the most promising targets identified because of geophysical and geochemical surveys, geological mapping, and sampling work in Phase 1. The scope of work for drilling and location of drill holes would be determined based on the findings of Phase 1 investigations. Initially a 1,000 meters core drilling program is recommended (Table 6).

*Budget*

**Table 5: Phase 1 budget**

<b>Item</b>	<b>Unit</b>	<b>Rate (\$)</b>	<b>Number of Units</b>	<b>Total (\$)</b>
Project preparation	Day	\$800	3	\$2,400
Mob/Demob (incl freight, transportation and wages)	Lump Sum	\$5,000	1	\$5,000
First Nations Consultation	Lump Sum	\$5,000	1	\$5,000
<b>Field Crew:</b>		-	-	
Prospectors / Soil and rock Samplers (2-person Crew)	Day	\$1,000	18	\$18,000
Project Geologist	Day	\$750	18	\$13,500
<b>Field Costs:</b>				
Food & Accommodation	Day	\$1,000	18	\$18,000
Communications		\$100	18	\$1,800
Shipping	Lump Sum	\$1,000	1	\$1,000
Supplies	Lump Sum	\$2,000	1	\$2,000
Helicopter with fuel	hrs	\$2,500	50	\$125,000
Vehicle Rental with fuel	Day	\$250	18	\$4,500
Other Rentals (Scintillometers)		\$300	18	\$5,400
<b>Assays &amp; Analyses:</b>		-	-	
Rock/Soil Samples	Sample	\$85	200	\$17,000
<b>Report:</b>				
Data compilation	Day	\$750	10	\$7,500
GIS work	Day	\$750	5	\$3,750
Report Cost	Day	\$800	10	\$8,000
Sub Total				\$237,850
Contingency (10%)	Lump Sum	10000	1	\$23,785
<b>Total Phase 1 Budget</b>				<b>\$261,635</b>

**Table 6 : Phase 2 Budget**

Item	Unit	Unit Rate (\$)	Number of Units	Totals (CAN \$)
Project Management	Day	\$800	1	\$800
Mobe/Demobe (incl freight, transportation and wages)	Lump Sum	\$25,000	1	\$25,000
First Nations Consultation	Lump Sum	\$10,000	1	\$10,000
<b>Field Crew:</b>		-	-	-
Project Geologist	Day	\$750	21	\$15,750
Core logging and sampling geologist	Day	\$750	21	\$15,750
Core Sampling	Day	\$500	10	\$5,000
<b>Field Costs:</b>				
Communications	Day	\$75	21	\$1,575
Shipping	Lump Sum	\$5,000	1	\$5,000
Supplies	Day	\$250	21	\$5,250
Food and accommodation (For 8 persons crew)	Day	\$1,600	21	\$33,600
Vehicle Rental x 3	Day	\$600	21	\$12,600
Vehicle Gas	Day	\$300	21	\$6,300
Other Rentals	Day	\$250	21	\$5,250
Downhole geophysics	Lump Sum	\$2,500	1	\$2,500
<b>Assays &amp; Analyses:</b>		-	-	-
Core samples	Sample	\$70	500	\$35,000
<b>Contracts:</b>				
Permitting	Lump Sum	\$5,000	1	\$5,000
Core drilling	m	\$150	1,000	\$150,000
Helicopter cost with fuel	Hrs	\$2,500	100	\$250,000
Data compilation and interpretation	Day	\$750	20	\$15,000
Report	Day	\$750	14	\$10,500
Sub Total				\$609,875
Contingency (10%)				\$60,988
<b>Total Phase 2 Budget</b>				<b>\$670,863</b>

## USE OF PROCEEDS

### Use of Proceeds

This is a non-offering prospectus. The Corporation is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Corporation in connection with the filing of this Prospectus.

### Funds Available and Use of Available Funds

As of July 31, 2022, the Corporation had total funds available of \$1,545,653, comprised entirely of working capital of \$1,545,653.

The Corporation's estimated use of funds for the next 12 months is as follows:

Use of Available Funds	Amount (\$)
Estimated remaining cost of the Prospectus and Listing	50,000
Continued development and achievement of milestones <sup>(1)</sup>	261,635

Operating expenses for 12 months <sup>(2)</sup>	460,000
Unallocated working capital	774,018
<b>Total</b>	<b>1,545,653</b>

Notes:

(1) See “*Use of Proceeds – Business Objectives and Milestones*”.

(2) Estimated operating expenses for the next 12 months include:

<b>Operating Expenses 2022-2023 Budget (\$)</b>	
Consulting fees (management, administration and professional service fees)	320,000
Administrative Costs	15,000
Marketing and Investor Relations	125,000
<b>Total</b>	<b>460,000</b>

See “*Financial Statement Disclosure*” and “*Management Discussion & Analysis*”.

The Corporation intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The amounts set forth above may increase if we are required to carry out due diligence investigations in regard to any prospective investment or business opportunity, or if the costs of the Prospectus or Listing, are greater than anticipated.

### **Business Objectives and Milestones**

The objectives that the Corporation expects to accomplish using its estimated working capital as at the date of this Prospectus are to obtain a listing of its Common Shares on the Exchange and complete Phase 1 of the exploration program set forth as recommendations in the Fire Eye Property Technical Report.

The Corporation’s primary business objectives and milestones over the next 12 months are to follow the Phase 1 recommendations as outlined in the Fire Eye Property Technical Report. Please see “*The Property - Recommendations*”, “*The Property - Budget*” and the Fire Eye Property Technical Report for a breakdown of Phase 1, activities to be undertaken and budgeted breakdown of anticipated costs .

The actual amount that the Corporation spends from its working capital may vary significantly from the amounts specified above, and will depend on a number of factors, including those listed under the heading “*Risk Factors*”.

The Corporation has not yet achieved positive operating cash flow and there are no assurances that the Corporation will not experience negative cash flow from operations in the future.

**While the Corporation, intends to pursue these milestones, there may be circumstances where, for valid business reasons or due to factors beyond the control of the Corporation (e.g. the COVID-19 pandemic), a re-allocation of efforts may be necessary or advisable. Although Corporation does not currently anticipate that the COVID-19 pandemic will cause material delays in the timelines or estimates set out above, due to the evolving nature of the COVID-19 pandemic and its impacts, these timelines and estimates may require adjustment in the future.**

## **DIVIDENDS OR DISTRIBUTIONS**

The payment of dividends, if any, in the future, rests within the sole discretion of the Board. The payment of dividends will depend upon the Corporation’s earnings, its capital requirements and its financial condition, as well as other relevant factors. The Corporation has not declared any cash dividends since its inception and the Corporation intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares and other classes of shares in the foreseeable future.

There are no restrictions in the Corporation's constating documents that prevent the Corporation from declaring dividends. The BCBCA, however, does prohibit the Corporation from declaring dividends where, after giving effect to the distribution of the dividend, the Corporation would not be able to pay its debts as they become due in the usual course of business, or the Corporation's total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **The Corporation**

The Corporation's MD&A provides an analysis of the Corporation's financial results for the period from incorporation on July 13, 2021 to May 31, 2022, and should be read in conjunction with the Corporation's consolidated financial statements and the notes thereto, respectively. The Corporation's MD&A is attached to this Prospectus as Appendix "B".

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

### **Additional Disclosure for Junior Issuers**

The Corporation had negative cash flow from operations for its most recently completed financial year and expects to have sufficient funds available to fund operations for a period of 12 months. The Corporation estimates total operating costs of \$771,635 to achieve its stated business objectives and milestones. See "*Use of Proceeds*".

## **DESCRIPTION OF SHARE CAPITAL**

No securities are being offered pursuant to this Prospectus.

### **Authorized Capital**

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. See "*Consolidated Capitalization*". As of the date of this Prospectus, there were 32,928,000 Common Shares issued and outstanding. In addition, as of the date of this Prospectus, the following convertible securities were issued and outstanding: 1,412,500 Warrants to acquire 1,412,500 Common Shares in accordance with the respective terms of such Warrants. Upon Listing, the Corporation will issue 1,250,000 Options to acquire 1,250,000 Common Shares and 1,675,000 RSUs to acquire 1,675,000 Common Shares, in each case in accordance with the respective terms of such securities. See "*Options to Purchase Securities*" for additional details.

### **Common Shares**

Holders of the Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, and each Common Share confers the right to one vote, provided that the shareholder is a holder on the applicable record date declared by the Board. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Corporation, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of the Corporation's assets among its shareholders by way of repayment of capital, the net equity of the Corporation shall be distributed among the holders of the Common Shares, without priority and on a share for share basis. There are no redemption or retraction rights associated with the Common Shares.

## CONSOLIDATED CAPITALIZATION

No securities are being offered pursuant to this Prospectus and, except as disclosed in the following paragraph, there have been no changes in the Corporation’s capitalization since the date of the Corporation’s financial statements for the period from incorporation on July 13, 2021 to May 31, 2022

The following table sets forth the capitalization of the Corporation as of the date of the Corporation’s financial statements for the period from incorporation on July 13, 2021 to May 31, 2022 and as of the date of this Prospectus. There has been no other material change in the capitalization of the Corporation since the date of this Prospectus. See “Prior Sales”.

Designation of Security	Amount Authorized	Amount Outstanding as of May 31, 2022 (audited)	Amount Outstanding as of the date of this Prospectus
Common Shares	Unlimited	32,928,000	32,928,000
Options	Rolling 20%	Nil	500,000 <sup>(1)(2)(3)(4)</sup>
Warrants	N/A	1,412,500	1,412,500
Restricted Share Units	Rolling 20%	Nil	Nil <sup>(5)(6)(7)</sup>

Notes:

- (1) The Corporation intends to issue 250,000 Options to Kirk Hollohan, at an exercise price of \$0.40 per Option and having a term of two years.
- (2) 500,000 Options were issued to Paul More on August 22, 2022, at an exercise price of \$0.10 per Option until August 22, 2024.
- (3) The Corporation intends to issue 250,000 Options to Aman Parmar, at an exercise price of \$0.40 per Option and having a term of two years.
- (4) The Corporation intends to issue 250,000 Options to Eli Dusenbury, at an exercise price of \$0.40 per Option and having a term of two years.
- (5) The Corporation intends to issue 150,000 RSUs to Kirk Hollohan.
- (6) The Corporation intends to issue 250,000 RSUs to Paul More.
- (7) The Corporation intends to issue 1,000,000 RSUs to Aman Parmar.
- (8) 275,000 RSUs will be issued to certain consultants.

## OPTIONS TO PURCHASE SECURITIES

### Stock Options

The Corporation’s share-based compensation plan (the “Share-Based Compensation Plan”) was adopted by the Corporation on August 8, 2022, and as at the date of this Prospectus, the Corporation has issued 500,000 Options and will issue an additional 750,000 Options upon successful Listing.

Options Held	Number of Options	Exercise Price	Expiry Date
Options held by all executive officers and past executive officers of the Corporation as a group (which consists of one executive officer and past executive officer).	Nil <sup>1)</sup> 500,000 <sup>(2)</sup>	\$0.40 \$0.10	N/A August 22, 2022
Options held by all directors and past directors of Corporation who are not also executive officers as a group, of the Corporation (which consists of one director and past director).	Nil <sup>(3)(4)</sup>	N/A	N/A



Options held by all other employees, consultants, advisors, and/or shareholders of the Corporation and all other past employees, consultants, advisors, and/or shareholders of the Corporation as a group (which consists of one executive officer and past executive officer).	Nil	N/A	N/A
---	-----	-----	-----

Notes:

- (1) The Corporation intends to issue 250,000 Options to Kirk Hollohan, at an exercise price of \$0.40 per Option and having a term of two years.
- (2) 500,000 Options were issued to Paul More on August 22, 2022, at an exercise price of \$0.10 per Option until August 22, 2024.
- (3) The Corporation intends to issue 250,000 Options to Aman Parmar, at an exercise price of \$0.40 per Option and having a term of two years.
- (4) The Corporation intends to issue 250,000 Options to Eli Dusenbury, at an exercise price of \$0.40 per Option and having a term of two years.

### **Description of the Share-Based Compensation Plan**

The following is a summary of certain provisions of the Share-Based Compensation Plan and is qualified in its entirety by the full text of the Share-Based Compensation Plan, a copy of which is attached as Appendix “C” to this Prospectus.

### **Eligible Persons**

Awards may be granted to an employee, director, officer or consultant of the Corporation or any of its subsidiaries (an “**Eligible Person**”). A participant (“**Participant**”) is an Eligible Person to whom an Award has been granted. An “**Award**” means any Option, DSU or RSU (each as defined herein) granted under the Share-Based Compensation Plan.

### **Number of Shares available for Awards**

The aggregate number of Common Shares issuable pursuant to Awards granted under the Share-Based Compensation Plan, must not exceed 20.0% of the issued and outstanding Common Shares at the time of the grant. As of the date of this Prospectus, the Corporation is authorized to issue up to 6,605,600 Common Shares under the Share-Based Compensation Plan (which represents 20.0% of the issued and outstanding Common Shares as of the date of this Prospectus).

#### *Options*

During the period from incorporation on July 13, 2021 to May 31, 2022, nil Options were issued.

As of the date of this Prospectus, there are 500,000 Options outstanding. Upon Listing, there will be 1,250,000 Options outstanding.

#### *DSUs*

As of the date of this Prospectus, there were nil DSUs outstanding.

#### *RSUs*

As of the date of this Prospectus, there were nil RSUs outstanding. Upon Listing, there will be 1,675,000 RSUs outstanding.

As of the date of this Prospectus, the Common Shares subject to outstanding Options, DSUs and RSUs total, in aggregate, approximately 1.52% of the total number of issued and outstanding Common Shares. Upon Listing, the Common Shares subject to outstanding Options, DSUs and RSUs total, in aggregate, approximately 8.88% of the total number of issued and outstanding Common Shares.

## Number of Shares under Award Grant

Subject to complying with all requirements of the Exchange and the provisions of the Share-Based Compensation Plan, the number of Shares that may be purchased under any Award will be determined and fixed by the Board at the date of grant.

## Maximum Award Grant

- (a) The aggregate number of Common Shares (i) reserved for issuance to insiders, at any time subject to outstanding grants, under the Share-Based Compensation Plan and under any other share compensation arrangement of the Corporation, cannot exceed 20% of the issued Shares; and (ii) issued to insiders, within any 12 month period, under the Share-Based Compensation Plan, cannot exceed 10% of the issued Common Shares, calculated on the date of the grant to any insider.
- (b) The aggregate number of Common Shares reserved for issuance to all non-employee directors, at any time subject to outstanding grants, under the Share-Based Compensation Plan and under any other share compensation arrangement of the Corporation, cannot exceed, for all non-employee directors, a maximum of 1% of the issued Common Shares; and, on an individual nonemployee director basis, grants of Awards in any one calendar year cannot exceed a maximum aggregate value of \$100,000 at the time of the grant (other than grants of Awards to a nonemployee director in the year of his or her initial appointment to the Board or grants of DSUs in lieu of cash compensation otherwise payable).
- (c) The aggregate number of Common Shares reserved for issuance to any one Eligible Person, at any time, under the Share-Based Compensation Plan and under any other share compensation arrangement of the Corporation, cannot exceed 5% of the issued Common Shares.
- (d) The maximum number of Bonus Shares that may be issued in a calendar year cannot exceed 2% of the issued and outstanding Common Shares as of January 1 of such calendar year.

## Options

### *Exercise price of Options*

The exercise price per Common Share under each Option will be determined by the Board in its sole discretion, provided that such price will not be less than the trading price at which the Common Shares traded on the Exchange as of the close of market on the day immediately prior to the date such Option is granted.

### *Vesting Terms and Restrictions*

Vesting terms and restrictions of the Options shall be determined by the Board on a case by case basis.

### *Term of Options and causes of cessation*

Subject to the requirements of the Exchange, each Option will expire (the “**Option Expiry Date**”) on the earlier of:

- (a) the date determined by the Board 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 10th 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 Corporation is subject, including the Exchange;
- (b) in the event the Participant ceases to be an Eligible Person for any reason, other than the death of the Participant or the termination of the Participant for cause, such period of time after the date on which the Participant ceases to be an Eligible Person as may be specified by the Board, which date must not exceed 90 days following the termination of the Participant’s employment with the Corporation, or, in the case of Options granted to a director, officer or consultant, 90 days following the Participant ceasing to be a director, officer or a consultant, unless the Board otherwise determines (provided that in no circumstances will the date exceed one year from the date of

termination of the Participant's employment with the Corporation, or the date the Participant ceased to be a director, officer or a consultant, as applicable) and which period will be specified in the applicable Option agreement with respect to such Option;

- (c) in the event of the termination of the Participant as an officer, employee or consultant of the Corporation or a subsidiary for cause, the date of such termination;
- (d) in the event that a director is subject to any order, penalty or sanction by an applicable securities regulatory authority which relates to such director's activities in relation to the Corporation, and the Board determines that such director's Options should be cancelled, the date of such determination;
- (e) in the event of the death of a Participant prior to (i) the Participant ceasing to be an Eligible Person, or (ii) the date which is the number of days specified by the Board pursuant to subparagraph (b) above from the date on which the Participant ceased to be an Eligible Person, the date which is one year after the date of death of such Participant or such earlier date as may be specified by the Board and which period will be specified in the option agreement with the Participant with respect to such Option; and
- (f) notwithstanding the foregoing provisions of subparagraphs (b), (c) and (d) above, the Board may, subject to the Share-Based Compensation Plan and 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 Participant who has ceased to be an Eligible Person, but such an extension must not be granted beyond the earlier to occur of (i) the date that is one year from the date such extension was granted, and (ii) the original expiry date of the Option as provided for in subparagraph (a) above.

## **Deferred Share Units**

### *Grant of DSUs*

The Share-Based Compensation Plan allows for the grant of deferred share units ("DSUs") to any Eligible Person with the specific terms and conditions thereof to be as provided in the Share-Based Compensation Plan and in the DSU agreement entered into in respect of such grant. Each DSU will be equivalent in value to a Common Share. The number of DSUs granted at any particular time will be calculated to the nearest thousandths of a DSU, determined by dividing (a) the dollar amount of compensation payable in DSUs by (b) the DSU Fair Market Value (as defined in the Share-Based Compensation Plan) on the grant date.

### *Redemption of DSUs*

Each Participant is entitled to redeem his or her DSUs during the period commencing on the business day immediately following the Separation Date (as defined in the Share-Based Compensation Plan) and ending on the 90th day following the Separation Date by providing a written notice of redemption to the Corporation.

In the event of death of a Participant, the notice of redemption will be filed by the legal representative of the Participant. If the Participant is a U.S. Participant (as defined in the Share-Based Compensation Plan), redemption of such Participant's DSUs will be in accordance with the provisions of the Share-Based Compensation Plan applicable to U.S. Participants.

On the date of redemption, the Participant will be entitled to receive, and the Corporation will issue or provide: (a) subject to the limitations described under the heading "Maximum Award Grant" above, a number of Common Shares issued from treasury equal to the number of DSUs in the Participant's account on the Separation Date, subject to any applicable deductions and withholdings; (b) subject to and in accordance with any applicable law, a number of Common Shares purchased by an independent administrator in the open market for the purposes of providing Common Shares to Participants equal in number to the DSUs in the Participant's account, subject to any applicable deductions and withholdings; (c) the payment of a cash amount to a Participant equal to the number of DSUs multiplied by the DSU Fair Market Value on the Separation Date, subject to any applicable deductions and withholdings; or (d) any combination of the foregoing, as determined by the Corporation, in its sole discretion.

### *Additional Terms of DSUs*

Additional provisions relating to DSUs include, among other things:

(a) At the option of the Board in its sole discretion, the Board may provide a Participant with the ability to elect to receive in DSUs all or part of his or her compensation that is otherwise payable in cash (with the balance, if any, being paid in cash). If such an election is made available to a Participant, the Board will provide a Participant written notice, specifying the portion of his or her compensation to which the election applies and the procedures for validly exercising such election.

(b) Subject to the absolute discretion of the Board, except to the extent provided otherwise in the DSU agreement, in the event that a dividend (other than a stock dividend) is declared and paid by the Corporation on the Common Shares, a Participant may be credited with additional DSUs. The number of such additional DSUs, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Participant if the DSUs in the Participant's account on the dividend record date had been outstanding Shares (and the Participant held no other Shares), by (b) the DSU Fair Market Value of the Common Shares on the date on which such dividends were paid.

### **Restricted Share Units**

The Board has the authority, subject to the limitations described under the heading "Maximum Award Grant" above and to the paragraphs below, to grant restricted share units of the Corporation ("RSUs") to any Eligible Person as a discretionary payment in consideration of past services to the Corporation, subject to the Share-Based Compensation Plan and with the specific terms and conditions thereof to be as provided in the Share-Based Compensation Plan and in the RSU agreement entered into in respect of such grant. At the end of the Restricted Period (as defined in the Share-Based Compensation Plan) applicable to a RSU and without the payment of additional consideration or any other further action on the part of the Participant, the Corporation will issue to the Participant one Common Share for each RSU held by the Participant for which the Restricted Period has expired. No Restricted Period will be longer than three years from the date of grant, subject to the Share-Based Compensation Plan.

### *Terms of RSUs*

The Board, in its sole discretion, may determine that if and when distributions are paid on any Common Shares, additional RSUs will be credited to the Participant as of such distribution payment date. The number of additional RSUs to be credited to the Participant will be determined by dividing the dollar amount of the distribution payable in respect of the Restricted Shares (as defined in the Share-Based Compensation Plan) underlying the RSUs by the RSU Fair Market Value (as defined in the Share-Based Compensation Plan). The Restricted Period applicable to such additional RSUs, if any, will be the same as the Restricted Period, if any, for the RSUs.

In the event of the Retirement or Termination of a Participant during the Restricted Period (as defined in the Share-Based Compensation Plan), any RSUs held by the Participant will immediately terminate and be of no further force or effect; provided, however, that the Board will have the absolute discretion to modify the grant of the RSUs to provide that the Restricted Period will terminate immediately prior to a Participant's Termination or Retirement.

In the event of: (a) the death of a Participant, the Restricted Period in respect of any RSUs held by such Participant will be accelerated and will expire on the date of death of such Participant and the Restricted Shares represented by the RSUs held by such Participant will be issued to the Participant's estate as soon as reasonably practical thereafter, but in any event no later than 90 days thereafter; and (b) the disability of a Participant (determined in accordance with the Corporation's normal disability practices), the Restricted Period in respect of any RSUs held by such Participant will be accelerated and will expire on the date in which such Participant is determined to be totally disabled and the Restricted Shares represented by the RSUs held by the Participant will be issued to the Participant as soon as reasonably practical, but in any event no later than 30 days following receipt by the Corporation of notice of disability.

In the event that (a) a Change of Control and (b) a Triggering Event occurs and within 12 months following such Triggering Event the Participant advises the Corporation by written notice of his or her intention to terminate his or her employment as a result thereof, the Restricted Period in respect of all RSUs held by such Participant will expire on the date such written notice is received by the Corporation notwithstanding the Restricted Period.

### Procedure for amending

Subject to the provisions of the Share-Based Compensation Plan and the requirements of the Exchange, the Board has the right at any time to suspend, amend or terminate the Share-Based Compensation Plan, including, but not limited to, the right: (a) with approval of Shareholders, by ordinary resolution, to make any amendment to any award agreement or the Share-Based Compensation Plan; and (b) without approval of Shareholders to make the following amendments to any award agreement or the Share-Based Compensation Plan: (i) amendments of a clerical nature; (ii) amendments to reflect any requirements of any regulatory authorities to which the Corporation is subject, including the Exchange; and (iii) amendments to vesting provisions of Awards.

### Other material information

Each Award Agreement will provide that except pursuant to a will or by the laws of descent and distribution, no Awards and no other right or interest of a Participant are transferable or assignable. Subject to the provisions of the Share-Based Compensation Plan, appropriate adjustments to the Share-Based Compensation Plan and to Awards will be made, and will be conclusively determined, by the Board, to give effect to adjustments in the number of Common Shares resulting from subdivisions, consolidations, substitutions, or reclassifications of the Common Shares, the payment of share dividends by the Corporation (other than dividends in the ordinary course) or other changes in the capital of the Corporation or from a Merger and Acquisition Transaction (as defined in the Share-Based Compensation Plan).

### Warrants

As of the date of this Prospectus, the Corporation has 1,412,500 Warrants entitling the holder to acquire one Common Share at a price of \$0.75, and exercisable until May 25, 2024.

## PRIOR SALES

The following table summarizes all sales/issuances of securities of the Corporation for the 12-month period before the date of the Prospectus:

Date Issued	Number and Type	Issue or Exercise Price Per Share (\$)	Aggregate Issue (\$)	Nature of Consideration
July 13, 2021	500 Common Shares	0.01	5.00	Incorporation
July 27, 2021	21,000,000 Common Shares	0.02	420,000	\$0.02 Financing
December 15, 2021	10,515,000 Common Shares	0.10	1,051,500	\$0.10 Financing

May 25, 2022	1,412,500 Common Shares 1,412,500 Warrants	Issue Price: 0.40 Exercise Price: 0.75	565,000	\$0.40 Financing
August 22, 2022	500,000 Options	0.10	50,000	Issuance to CFO

### Trading Price and Volume

The Common Shares do not trade on any stock exchange.

### ESCROWED SECURITIES

The following table sets of the number of Common Shares as of the date of this Prospectus that are subject to escrow:

Designation of Class	Number of Common Shares	Percentage of Class
Common Shares	29,312,950 <sup>(1)</sup>	89.02% <sup>(2)</sup>

Notes:

- (1) In addition to 515,000 Common Shares currently not subject to escrow restrictions, immediately upon Listing, an additional 3,100,050 Common Shares will be released from applicable voluntary escrow provisions (please see Page 37 of the Prospectus for release terms) and become free trading, resulting in a total of 3,615,050 free trading Common Shares (representing 10.98% of issued and outstanding) and a total of 29,312,950 escrowed Common Shares (89.02% of issued and outstanding).
- (2) Based on 32,928,000 issued and outstanding Common Shares as of the date of this Prospectus

### PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Corporation, as of the date of this Prospectus no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to Common Shares, other than those persons listed in the following table:

Name of Shareholder	Number of Common Shares	Percentage of Outstanding Common Shares
Thirty Six Financial Group Inc.	3,809,524	11.57%

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

As of the date of this Prospectus, the following sets out the securities of the Corporation that, to the knowledge of the Corporation, are held in escrow or are subject to contractual restrictions on transfer.

### Mandatory Escrow

3,183,833 Common Shares are expected to be held in escrow following completion of Listing (the “**Escrowed Securities**”) pursuant to escrow requirements as required by National Policy 46-201 – *Escrow for Initial Public Offerings* (“**NP 46-201**”) and CSE policy on completion of the listing of the Common Shares on the CSE.

An aggregate of 3,183,833 Escrowed Securities are expected to be subject to the release schedule specified in NP 46-201 for emerging issuers and as set out in the form of escrow required by Policy 2 – *Qualifications for Listing of the CSE*. Ten (10%) percent of such Escrowed Securities are expected to be released upon the date of the Listing and an additional 15% are expected to be released every 6 months thereafter until all remaining Escrowed Securities have been released (36 months following the date of the Listing).

Designation of Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Class
Common Shares	3,183,833	9.64%

### Voluntary Escrow

17,816,667 of the Common Shares issued to certain subscribers in connection with the \$0.02 Financing which do not qualify as Escrowed Securities pursuant to NP 46-201 are subject to restrictions whereby such Common Shares are to be released over a period of 18 months from the Listing, with 10% being released on the date of Listing, and an additional 15% being released every three months thereafter.

10,000,000 of the Common Shares issued to certain subscribers in connection with the \$0.10 Financing which do not qualify as Escrowed Securities pursuant to NP 46-201 are subject to restrictions whereby such Common Shares are to be released over a period of 12 months from the Listing, with 10% being released on the date of Listing, and an additional 22.5% being released every three months thereafter.

## DIRECTORS AND OFFICERS

The following table provides the names, municipalities of residence, positions, principal occupations and the number of voting securities of the Corporation that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

Name and Municipality of Residence and Position with the Corporation	Director / Officer Since	Principal Occupation for the Past Five Years	Number of Common Shares Beneficially Owned
<b>Kirk Hollohan</b> <sup>(1)</sup> London, Ontario CEO and Director	August 1, 2022	Businessman and self employed physician	Nil
<b>Paul More</b> Vancouver, British Columbia CFO	July 13, 2021 <sup>(2)</sup> August 1, 2022	Chartered Professional Accountant providing CFO consulting services.	500

<b>Name and Municipality of Residence and Position with the Corporation</b>	<b>Director / Officer Since</b>	<b>Principal Occupation for the Past Five Years</b>	<b>Number of Common Shares Beneficially Owned</b>
<b>Eli Dusenbury</b> <sup>(1)</sup> Vancouver, British Columbia Director	August 1, 2022	Chartered Professional Accountant and CFO of various public companies	Nil
<b>Aman Parmar</b> <sup>(1)</sup> Vancouver, British Columbia Director	August 1, 2022	Businessman; Executive and Director of various private and public companies	3,183,333

Note:

(1) Member of the Audit Committee

(2) Paul More resigned as a director and President of the Corporation on August 1, 2022.

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

As at the date of this Prospectus, the directors and officers of the Corporation as a group owned beneficially, directly or indirectly or exercise control or discretion over an aggregate of 3,183,833 Common Shares, or approximately 9.67% of the Common Shares issued and outstanding.

***Kirk Hollohan, age 53, CEO and Director***

Dr. Kirk Hollohan is founder and CEO of 1Med Health Solutions. 1Med is a patient-centric, technology-supported healthcare organization that serves busy entrepreneurs, professionals, families and organizations in London and throughout Canada. Through a combination of in-person and virtual services, 1Med provides concierge medicine to private clients who value timely, personal, holistic care.

***Paul More, age 36, CFO***

Mr. More, CPA, CA is a finance and accounting professional with over 10 years of combined experience in both public and private sectors. Mr. More has provided CFO consulting and accounting services to clients in the health, pharmaceutical, technology, mining and real estate sectors. Mr. More obtained his Chartered Professional Accountant designation in 2011 and holds a Bachelor of Commerce with a double major in Accounting and Finance from the University of Northern British Columbia.

***Eli Dusenbury, age 40, Director***

Mr. Dusenbury has extensive experience in public accounting providing services to public and private sectors reporting in Canada and in the U.S., over a broad range of industries, including technology, agriculture, engineering, mining and exploration, manufacturing and financing. Mr. Dusenbury holds a CPA designation and a BBA in Business and Accounting. He has served as a CFO with a number of public companies: Integral Technologies, Inc., YDX Innovation Corp., Isodiol International Inc., Chemesis International Inc., IMC International Mining Corp., Havn Life Sciences Inc. and Telecure Technologies Inc. He obtained a Bachelor of Business Administration in Accounting and Finance from the Capilano University in 2009.

***Aman Parmar, age 35, Director***

Mr. Parmar's corporate experience includes over 12 years of working with both public and private companies in the resources, health care, manufacturing, cannabis, and real estate sectors. Mr. Parmar has extensive experience in the capital markets and has been involved in corporate restructuring and financing for both public and private companies.



Mr. Parmar obtained a Chartered Professional Accountant designation in 2012 and holds a Bachelor of Technology in Accounting from the British Columbia Institute of Technology.

### **Corporate Cease Trade Orders or Bankruptcies**

Except as set out below, to the Corporation's knowledge, no director or executive officer or promoter of the Corporation is, as at the date of this Prospectus, or was within 10 years before the date hereof, a director, CEO or CFO of any person or corporation, including the Corporation, that:

- (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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 (an "order") that was issued while the director or executive officer or promoter was acting in the capacity of a director, the CEO or the CFO thereof; or
- (b) was subject to an order that was issued after the director or executive officer or promoter ceased to be a director, the CEO or the CFO thereof and which resulted from an event that occurred while that person was acting in such capacity.

On May 3, 2022, the British Columbia Securities Commission issued a cease trade order to Josh Rosenberg, Eli Dusenbury and Telecure Technologies Inc., a company that Eli Dusenbury is the CFO of, for which Mr. Aman Parmar serves as director of and for which Mr. Paul More serves as director of, for failing to file audited financial statements for the year ended December 31, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order currently remains in place.

On January 11, 2022, the British Columbia Securities Commission issued a cease trade order to Chemiesis International Inc., a company that Eli Dusenbury is the CFO of and for which Mr. Aman Parmar serves as director of, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis as well as the interim financial statements for the period ended September 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order was revoked on March 29, 2022.

On October 29, 2021, the British Columbia Securities Commission issued a cease trade order to Edgar Montero, Eli Dusenbury and Chemiesis International Inc., a company that Eli Dusenbury is the CFO of, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order was revoked on March 29, 2022.

On July 23, 2021, the British Columbia Securities Commission issued a cease trade order in respect of United Lithium Corp., a company for which Mr. Aman Parmar serves as director of, for failing to file a material change report in respect of an amalgamation. The cease trade order was revoked on August 25, 2021.

To the Corporation's knowledge, no director or executive officer or promoter of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

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

## **Penalties or Sanctions**

To the Corporation's knowledge and other than as disclosed herein, no director or executive officer or promoter of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to:

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

## **Personal Bankruptcies**

To the Corporation's knowledge and other than as disclosed herein, no director or officer of the Corporation, nor any shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, nor any personal holding company of any such person has, within the ten years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

## **Conflicts of Interest**

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. There are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

## **EXECUTIVE COMPENSATION**

In accordance with Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to NEOs of the Corporation, once the Corporation becomes a reporting issuer, to the extent this compensation has been determined.

In this section NEO means each individual who acted as CEO of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year, each individual who acted as CFO of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Corporation, at the end of the most recently completed financial year.

The Corporation's NEOs are Kirk Hollohan, CEO and Paul More, CFO.

### **Director and named executive officer compensation, excluding compensation securities**

This section sets forth the compensation paid by the Corporation for the period ended May 31, 2022, and the anticipated compensation to be paid for its 2023 financial year as set out in the chart below.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation <sup>(1)</sup> (\$)	Total compensation (\$)
<b>Kirk Hollohan</b> CEO and Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2023 (projected)	60,000	Nil	Nil	Nil	114,000	174,000
<b>Eli Dusenbury</b> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2023 (projected)	Nil	Nil	Nil	Nil	54,000	54,000
<b>Aman Parmar</b> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2023 (projected)	Nil	Nil	Nil	Nil	454,000	454,000
<b>Paul More</b> CFO and Former Director	2022	60,000	Nil	Nil	Nil	Nil	60,000
	2023 (projected)	90,000	Nil	Nil	Nil	262,000	352,000

Note:

(1) Represents the fair value of Options and RSUs awarded upon successful Listing

### Stock options and other compensation securities

The Corporation currently has an incentive share-based compensation plan in place in order to assist the Corporation in attracting, retaining and motivating directors, officers, employees, consultants and contractors of the Corporation and to closely align the interests of such service providers with the interests of the Corporation. As at the date of this Prospectus, the Corporation has issued nil stock options and nil RSUs. Upon Listing, the Corporation will issue 1,250,000 Options and 1,675,000 RSUs. The following table discloses all compensation securities of the Corporation to be granted to each NEO and director.

COMPENSATION SECURITIES					
Name and Position	Type of compensation security	Number of compensation securities and percentage of class	Date of issue or grant	Issue conversion of exercise price	Expiry Date
Kirk Hollohan CEO and Director	Options	250,000 <sup>(1)</sup> (20.00%) <sup>(8)</sup>	Upon successful completion of Listing	\$0.40	24 months from issuance
	RSUs	150,000 <sup>(2)</sup> (8.96%) <sup>(9)</sup>	Upon successful completion of Listing	N/A	N/A

COMPENSATION SECURITIES					
Name and Position	Type of compensation security	Number of compensation securities and percentage of class	Date of issue or grant	Issue conversion of exercise price	Expiry Date
Eli Dusenbury, Director <sup>(10)</sup>	Options	250,000 <sup>(3)</sup> (20.00%) <sup>(8)</sup>	Upon successful completion of Listing	\$0.40	24 months from issuance
Aman Parmar, Director <sup>(11)</sup>	Options	250,000 <sup>(4)</sup> (20.00%) <sup>(8)</sup>	Upon successful completion of Listing	\$0.40	24 months from issuance
	RSUs	1,000,000 <sup>(5)</sup> (59.70%) <sup>(9)</sup>	Upon successful completion of Listing	N/A	N/A
Paul More, CFO <sup>(12)</sup>	Options	500,000 <sup>(6)</sup> (40.00%) <sup>(8)</sup>	August 22, 2022	\$0.10	August 24, 2024
	RSUs	250,000 <sup>(7)</sup> (14.93%) <sup>(9)</sup>	Upon successful completion of Listing	N/A	N/A

Notes:

- (1) The Corporation intends to issue 250,000 Options to Kirk Hollohan, at an exercise price of \$0.40 per Option and having a term of two years.
- (2) The Corporation intends to issue 150,000 RSUs to Kirk Hollohan.
- (3) The Corporation intends to issue 250,000 Options to Eli Dusenbury, at an exercise price of \$0.40 per Option and having a term of two years.
- (4) The Corporation intends to issue 250,000 Options to Aman Parmar, at an exercise price of \$0.40 per Option and having a term of two years.
- (5) The Corporation intends to issue 1,000,000 RSUs to Aman Parmar.
- (6) 500,000 Options were issued to Paul More on August 22, 2022, at an exercise price of \$0.10 per Option until August 22, 2024.
- (7) The Corporation intends to issue 250,000 RSUs to Kirk Hollohan.
- (8) Based on 1,250,000 Options outstanding as upon Listing.
- (9) Based on 1,675,000 RSUs outstanding as upon Listing.
- (10) 250,000 Options will be beneficially held in a corporation owned by Eli Dusenbury.
- (11) 250,000 Options and 1,000,000 RSUs will be beneficially held in a corporation owned by Aman Parmar.
- (12) 500,000 Options are beneficially held in a corporation owned by Paul More and 250,000 RSUs will be beneficially held in a corporation owned by Paul More.

### Employment, consulting and management agreements

Except as disclosed herein, the Corporation does not have any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Corporation or from a change of control of the Corporation or a change in the executive officers' responsibilities following a change in control.

### Oversight and description of director and named executive officer compensation

The Corporation, at its present stage, does not have any formal objectives, criteria and analysis for determining the compensation of its NEOs and primarily relies on the discussions and determinations of the Board. When determining individual compensation levels for the Corporation's NEOs, a variety of factors will be considered including: the overall financial and operating performance of the Corporation, each NEO's individual performance and contribution towards meeting corporate objectives and each NEO's level of responsibility and length of service.

The Corporation's executive compensation is intended to be consistent with the Corporation's business plans, strategies and goals, including the preservation of working capital as the Corporation seeks to complete its listing on the Exchange. The Corporation's executive compensation program is intended to provide appropriate compensation that permits the Corporation to attract and retain highly qualified and experienced senior executives and to encourage

superior performance by the Corporation. The Corporation's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Corporation does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Corporation for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no former or current director, executive officer, or employee of the Corporation is or has been indebted to the Corporation or is indebted to another entity, which indebtedness has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation, at any time.

## AUDIT COMMITTEE INFORMATION

The charter of the Corporation's Audit Committee is attached to this Prospectus as Appendix "D".

### Composition of Audit Committee and Independence

The following are the members of the audit committee:

Kirk Hollohan	Non-Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Eli Dusenbury	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Aman Parmar	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

Note:

(1) As defined under NI 52-110.

See "*Directors and Executive Officers*" for the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee.

### Audit Committee Oversight

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

### Reliance on Certain Exemptions

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

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

### Pre-Approval Policies and Procedures

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

## External Auditor Service Fees

The following table sets out the audit fees incurred by the Corporation since incorporation for audit fees are as follows:

Period	Audit Fees (\$)	Audit Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
Period from incorporation on July 13, 2021 to May 31, 2022	Nil	Nil	Nil	Nil

## Exemption

The Corporation is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE DISCLOSURE

### Board of Directors

The Corporation's Board currently consists of three directors, Kirk Hollohan, Aman Parmar and Eli Dusenbury, of whom all except Dr. Hollohan are independent based upon the tests for independence set forth in NI 52-110. The Board believes that good corporate governance improves corporate performance and benefits all shareholders. Regulatory authorities have implemented NI 58-101, which prescribes certain disclosure of the Corporation's corporate governance practices.

There is no specific written mandate of the Board, other than the corporate standard of care set out in the governing corporate legislation of the Corporation. The Board has overall responsibility for the management, or supervision of the management, of the business and affairs of the Corporation. The Board's primary tasks are to establish the policies, courses of action and goals of the Corporation and to monitor management's strategies and performance for realizing them.

All major acquisitions, dispositions, and investments, as well as financing and significant matters outside the ordinary course of the Corporation's business are subject to approval by the full Board. The Board does not currently have in place programs for succession planning and training of directors and management. As the growth of the Corporation continues, the Board will consider implementing such programs. In order to carry out the foregoing responsibilities the Board meets on a quarterly basis and as required by circumstances.

### Directorships

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

Name of Director	Other Reporting Issuer	Name of Exchange or Market
Kirk Hollohan	N/A	N/A
Aman Parmar	Chemesis International Inc.	CSE
	United Lithium Corp.	CSE
	Telecure Technologies Inc.	CSE
Eli Dusenbury	Pan American Energy Corp.	CSE
	HYTN Innovations Inc.	CSE

## **Orientation and Continuing Education**

The skills and knowledge of the Board as a whole are such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors, and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Corporation's records.

The Corporation provides continuing education to its directors as such need arises and encourages open discussion at all meetings in order to encourage learning by the directors.

## **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Corporation and to meet responsibilities to shareholders. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations, providing guidance to management to help them recognize and deal with ethical issues, promoting a culture of open communication, honesty and accountability and ensuring awareness of disciplinary action for violations of ethical business conduct. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates in the best interests of the Corporation. The Board has not adopted a formal written code of ethics. As the growth of the Corporation continues, the Board will consider implementing such policies.

## **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole.

## **Compensation**

The Board is responsible for, among other things, reviewing and shaping all compensation arrangements for the executive officers and directors of the Corporation.

To determine the recommended compensation payable, the Board will review compensation paid for directors and executive officers of companies of similar size and stage of development and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers while taking into account the financial and other resources of the Corporation.

In setting the compensation, the Board will annually review the performance of the executive officers in light of the Corporation's objectives and consider other factors that may have impacted the success of the Corporation in achieving its objectives. For further information regarding how the Corporation determines compensation for its directors and executive officers, see "*Executive Compensation*".

## **Other Board Committees**

As the directors are actively involved in the operations of the Corporation and the size of the Corporation's operations does not warrant a larger board of directors, the Board has determined that additional committees are not necessary at this stage of the Corporation's development. As the growth of the Corporation continues, the Board will review its corporate governance practices and implement more comprehensive corporate governance practices when appropriate. Apart from the Audit Committee, the Corporation does not currently have any other standing committees.

## Assessments

The Board assesses its needs with respect to rules and guidelines governing and regulating the affairs of the Board including the frequency and location of Board and committee meetings, procedures for establishing meeting agendas and the conduct of meetings, the adequacy and quality of the information provided to the Board prior to and during its meetings, and the availability, relevance and timeliness of discussion papers, reports and other information required by the Board.

The Board periodically reviews the competencies, skills and personal qualities of each existing director and the contributions made by each director to the effective operation of the Board and reviews any significant change in the primary occupation of the director.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

## PLAN OF DISTRIBUTION

There are no securities being offered in connection with this Prospectus. The Corporation intends to apply to list the securities described in this Prospectus on the Exchange. Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange. As at the date of the Prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the TSX Venture Exchange, Toronto Stock Exchange, Aequitas NEO Exchange Inc., a United States marketplace, or a marketplace outside of Canada and the United States.

## RISK FACTORS

**AN INVESTMENT IN SECURITIES OF THE CORPORATION IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.**

Prior to making an investment decision, investors should consider the investment risks set forth below and those described elsewhere in this Prospectus, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Corporation consider the risks set forth below to be the most significant, but do not consider them to be all of the risks associated with an investment in securities of the Corporation. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in connection with the Corporation's business, actually occur, the Corporation's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Corporation's securities could decline and investors may lose all or part of their investment.

### *Impact of the COVID-19 Pandemic.*

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). Since December 31, 2019, the outbreak of COVID-19 has resulted in governments worldwide, including Canada and the United States, 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. Such events may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Corporation's profitability, results of operations, financial condition and the trading price of the Corporation's securities. Governments and central banks have reacted to the COVID-19 pandemic with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic 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 Corporation. To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of the Corporation is suspended, scaled



back or disrupted, it may have a material adverse impact on the Corporation's profitability, results of operations, financial condition and the trading price of the Corporation's securities. To the extent that the Corporation's management or other personnel are unavailable to work due to the COVID-19 pandemic, whether due to illness, government action or otherwise, it may have a material adverse impact on the Corporation's profitability, results of operations, financial condition and the trading price of the Corporation's securities. The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Corporation's profitability, results of operations, financial conditions and the trading price of the Corporation's securities.

***Failure to obtain all Regulatory Requirements for Completion of the Listing.***

Completion of the Listing is subject to, among other things, the acceptance of the Exchange and the receipt of all necessary regulatory approvals. There can be no certainty, nor can either party provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. The requirement to take certain actions or to agree to certain conditions to satisfy such requirements or obtain any such approvals may have a material adverse effect on the business and affairs of the Corporation or the trading price of Common Shares after completion of the Listing.

***Following Completion of the Listing, the Corporation may Issue Additional Equity Securities.***

Following completion of the Listing, the Corporation may issue equity securities to finance its activities, including to finance acquisitions. If the Corporation were to issue Common Shares, existing holders of such shares may experience dilution in the Corporation. Moreover, if the Corporation's intention to issue additional equity securities becomes publicly known, the Corporation's share price may be materially adversely affected.

***Limited Operating History.***

The Corporation has no history of earnings or profitability. The likelihood of success of the Corporation must be considered in light of the problems, expenses, difficulties, complication, and delays frequently encountered in connection with the establishment of any business. The Corporation will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Corporation will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

***Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, the Corporation faces a high risk of business failure.***

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that the Corporation intends to undertake on its properties and any additional properties that the Corporation may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Corporation in the exploration of its properties may not result in the discovery of mineral deposits. Any expenditures that the Corporation may make in the exploration of any other mineral property that it may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful exploration efforts. If the results of the Corporation's exploration do not reveal viable commercial mineralization, the Corporation may decide to abandon some or all of its property interests.

***Exploration Risks.***

The Corporation is seeking mineral deposits on exploration projects where there are not yet established commercial quantities. There can be no assurance that economic concentrations of minerals will be determined to exist on the Corporation's property holdings within existing investors' investment horizons, or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Corporation and its securities. The Corporation's planned programs and budgets for exploration work are subject to revision at any time to take into

account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Corporation and its securities.

***The potential profitability of mineral ventures depends in part upon factors beyond the control of the Corporation and even if the Corporation discovers and exploits mineral deposits, the Corporation may never become commercially viable and the Corporation may be forced to cease operations.***

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond the Corporation's control, including the existence and size of mineral deposits in the properties the Corporation explores the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in the Corporation not receiving an adequate return on invested capital. These factors may have material and negative effects on the Corporation's financial performance and its ability to continue operations.

***Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on the Corporation.***

Exploration and exploitation activities are subject to federal, provincial, state and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to federal, provincial, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment.

Environmental and other legal standards imposed by federal, provincial, state or local authorities may be changed and any such changes may prevent the Corporation from conducting planned activities or may increase its costs of doing so, which would have material adverse effects on its business. 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 Corporation. Additionally, the Corporation may be subject to liability for pollution or other environmental damages that the Corporation may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect the Corporation's ability to carry on its business.

***Title to mineral properties is a complex process and the Corporation may suffer a material adverse effect in the event one or more of its property interests are determined to have title deficiencies.***

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Corporation has either staked property or entered into property option agreements or joint venture agreements on its existing project interests, the Corporation cannot give an assurance that title to such property will not be challenged or impugned. Further, the Corporation cannot give an assurance that the existing description of mining titles will not be changed due to changes in policy, rulings, or law in the jurisdiction where the property is located. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Corporation does not have title to one or more of its properties could cause the Corporation to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

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

***Because the Corporation's property interests may not contain mineral deposits and because it has never made a profit from its operations, the Corporation's securities are highly speculative and investors may lose all of their investment in the Corporation.***

The Corporation's securities must be considered highly speculative, generally because of the nature of its business and its stage of operations. The Corporation currently has exploration stage property interests which may not contain mineral deposits. The Corporation may or may not acquire additional interests in other mineral properties, but the Corporation does not have plans to acquire rights in any specific mineral properties as of the date of this Prospectus, other than as set out herein. Accordingly, the Corporation has not generated significant revenues, nor has it realized a profit from its operations to date and there is little likelihood that the Corporation will generate any revenues or realize any profits in the short term. Any profitability in the future from the Corporation's business will be dependent upon locating and exploiting mineral deposits on the Corporation's current properties or mineral deposits on any additional properties that the Corporation may acquire. The likelihood that any mineral properties that the Corporation may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. The Corporation may never discover mineral deposits in respect to its current properties or any other area, or the Corporation may do so and still not be commercially successful if the Corporation is unable to exploit those mineral deposits profitably. The Corporation may not be able to operate profitably and may have to cease operations, the price of its securities may decline and investors may lose all of their investment in the Corporation.

***As the Corporation faces intense competition in the mineral exploration and exploitation industry, the Corporation will have to compete with the Corporation's competitors for financing and for qualified managerial and technical employees.***

The Corporation's competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than the Corporation. As a result of this competition, the Corporation may have to compete for financing and be unable to acquire financing on terms it considers acceptable. The Corporation may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If the Corporation is unable to successfully compete for financing or for qualified employees, the Corporation's exploration programs may be slowed down or suspended, which may cause the Corporation to cease operations as a company.

***The Corporation's operations are subject to human error.***

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Corporation's interests and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to the Corporation. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Corporation might undertake and legal claims for errors or mistakes by the Corporation personnel.

***The Corporation's future is dependent upon its ability to obtain financing and if the Corporation does not obtain such financing, the Corporation may have to cease its exploration activities and investors could lose their entire investment.***

There is no assurance that the Corporation will operate profitably or will generate positive cash flow in the future. The Corporation requires additional financing in order to proceed with the exploration and development of its properties. The Corporation will also require additional financing for the fees it must pay to maintain its status in relation to the rights to the Corporation's properties and to pay the fees and expenses necessary to operate as a public company following Listing. The Corporation will also need more funds if the costs of the exploration of its mineral claims are greater than the Corporation has anticipated. The Corporation will require additional financing to sustain its business operations if it is not successful in earning revenues. The Corporation will also need further financing if it decides to obtain additional mineral properties. The Corporation currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Corporation's future is dependent upon its ability to obtain financing. If the Corporation does not obtain such financing, its business could fail and investors could lose their entire investment.

### ***Dependence on management.***

The Corporation will be very dependent upon the personal efforts and commitment of its directors and officers. If one or more of the Corporation's executive officers become unavailable for any reason, a severe disruption to the business and operations of the Corporation could result and the Corporation may not be able to replace them readily, if at all. As the Corporation's business activity grows, the Corporation will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Corporation will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Corporation is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Corporation's future cash flows, earnings, results of operations and financial condition.

***The Corporation's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Corporation's business affairs, which may affect its ability to conduct operations and generate revenues.***

The Corporation's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Corporation's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Corporation may be periodically interrupted or delayed as a result of its officers' other business interests.

### ***Conflicts of Interest.***

Certain directors and officers of the Corporation are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Corporation. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Corporation. Directors and officers of the Corporation with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

### ***Exploration and Development.***

All of the Corporation's operations are at the exploration stage and there is no guarantee that any such activity will result in commercial production of mineral deposits. The exploration for mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration programs planned by the Corporation or any future development programs will result in a profitable commercial mining operation. There is no assurance that the Corporation's mineral exploration activities will result in any discoveries of commercial quantities of ore. There is also no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted. The long-term profitability of the Corporation will be in part directly related to the cost and success of its exploration programs and any subsequent development programs.

### ***Environmental Risks and Other Regulatory Requirements.***

The current or future operations of the Corporation, including future exploration and development activities and commencement of production on its property or properties, will require permits or licences from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development

and operation of mines and related facilities generally experience increased costs and delays as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Corporation may require for the conduct of its operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any project which the Corporation might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies and mine reclamation and remediation activities, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

#### ***Aboriginal Accommodation Risks.***

Aboriginal title claims and rights to consultation and accommodation may affect the Corporation's existing operations as well as potential development projects. Governments in many jurisdictions must consult with aboriginal peoples with respect to grants of mineral rights and the issuance or amendment of project authorizations. Consultation and other rights of aboriginal people may require accommodations, including undertakings regarding employment and other matters in impact and benefit agreements. This may affect the Corporation's ability to assure within a reasonable time frame effective mineral titles in these jurisdictions, including in some parts of Canada in which aboriginal title is claimed, and may affect the timetable and costs of exploration and, if warranted, development of mineral properties in these jurisdictions. The risk of unforeseen aboriginal title claims could also affect existing exploration activities as well as potential development projects and possible future acquisitions. These legal requirements may affect the Corporation's ability to expand or transfer existing projects or acquire possible new projects.

#### ***No Operating History.***

Exploration projects have no operating history upon which to base estimates of future cash flows. Substantial expenditures are required to develop mineral projects. It is possible that actual costs and future economic returns may differ materially from the Corporation's estimates. There can be no assurance that the underlying assumed levels of expenses for any project will prove to be accurate. Further, it is not unusual in the mining industry for new mining operations to experience unexpected problems during start-up, resulting in delays and requiring more capital than anticipated. There can be no assurance that the Corporation's projects will move beyond the exploration stage and be put into production, achieve commercial production or that they will produce revenue, operate profitably or provide a return on investment in the future. Mineral exploration involves considerable financial and technical risk. There can be no assurance that the funds required for exploration and future development can be obtained on a timely basis. There can be no assurance that the Corporation will not suffer significant losses in the near future or that the Corporation will ever be profitable.

#### ***History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations.***

The Corporation has incurred net losses to date. Its deficit as of May 31, 2022 was \$320,410. The Corporation has not yet earned any ongoing revenue from the exploration activities on its properties, nor has the Corporation yet determined that commercial development is warranted on any of its properties. Even if the Corporation commences development of certain of its properties, the Corporation may continue to incur losses. There is no certainty that the Corporation will produce revenue, operate profitably or provide a return on investment in the future.

#### ***Commodity Prices.***

The price of the Common Shares and the Corporation's financial results may be significantly adversely affected by a decline in the price of mineral commodities. Metal prices fluctuate widely and are affected by numerous factors beyond the Corporation's control. The level of interest rates, the rate of inflation, world supply of mineral

commodities, global and regional consumption patterns, speculative trading activities, the value of the United States dollar and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems, political systems and political and economic developments. The price of mineral commodities has fluctuated widely in recent years and future serious price declines could cause potential commercial production to be uneconomic. A severe decline in the price of minerals would have a material adverse effect on the Corporation.

#### ***Acquisition Strategy.***

As part of the Corporation's business strategy, it has sought and will continue to seek new exploration and development opportunities in the resource industry. In pursuit of such opportunities, the Corporation may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into the Corporation. The Corporation cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit the Corporation.

#### ***Dividend Policy.***

No dividends on the Common Shares have been paid by the Corporation to date. The Corporation anticipates that it will retain any earnings and other cash resources for the foreseeable future for the operation and development of its business. The Corporation does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Corporation's Board after taking into account many factors, including the Corporation's operating results, financial condition and current and anticipated cash needs.

#### ***Permitting.***

The Corporation's mineral property interests are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of existing permits, additional permits for any possible future developments or changes to operations or additional permits associated with new legislation. Prior to any development of any of their properties, the Corporation must receive permits from appropriate governmental authorities. There can be no assurance that the Corporation will continue to hold all permits necessary to develop or continue its activities at any particular property. 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 activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on the Corporation, resulting in increased capital expenditures and other costs or abandonment or delays in development of properties.

#### ***Influence of Third Party Stakeholders.***

The mineral properties in which the Corporation holds an interest, or the exploration equipment and road or other means of access which the Corporation intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Corporation's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for the Corporation.

#### ***Cyber Security Risks.***

As the Corporation continues to increase its dependence on information technologies to conduct its operations, the risks associated with cyber security also increase. The Corporation relies on management information systems and computer control systems. Business and supply chain disruptions, plant and utility outages and information technology system and network disruptions due to cyber-attacks could seriously harm its operations and materially adversely affect its operation results. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the issue or loss of control over computer control systems, and breaches due to employee error. The Corporation's exposure to cyber security risks includes exposure through third parties on whose systems it places significant reliance for the conduct of its business. The Corporation has implemented security procedures and measures in order to protect its

systems and information from being vulnerable to cyber-attacks. The Corporation believes these measures and procedures are appropriate. To date, it has not experienced any material impact from cyber security events. However, it may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

### ***Insurance.***

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, ground or slope failures, fires, environmental occurrences and natural phenomena such as prolonged periods of inclement weather conditions, floods and earthquakes. It is not always possible to obtain insurance against all such risks and the Corporation may decide not to insure against certain risks because of high premiums or other reasons. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to the Corporation's properties or the properties of others, delays in exploration, development or mining operations, monetary losses and possible legal liability. The Corporation expects to maintain insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development. The Corporation expects to carry liability insurance with respect to its mineral exploration operations, but is not expected to cover any form of political risk insurance or certain forms of environmental liability insurance, since insurance against political risks and environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of the Corporation. If the Corporation is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy. The lack of, or insufficiency of, insurance coverage could adversely affect the Corporation's future cash flow and overall profitability.

***A decline in the price of the Common Shares could affect the Corporation's ability to raise further working capital and adversely impact its ability to continue operations.***

The market price for the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Corporation's control, including the following:

- actual or anticipated fluctuations in the Corporation's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Corporation operates;
- addition or departure of the Corporation's executive officers and other key personnel;
- release or expiration of lock-up or other transfer restrictions on outstanding Common Shares;
- sales or perceived sales of additional Common Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Corporation or the Corporation's competitors;
- operating and share price performance of other companies that investors deem comparable to the Corporation;
- changes in commodity prices, political events, global financial markets, global economies and general market conditions;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Corporation's industry; and
- regulatory changes in the industry.

A prolonged decline in the price of the Common Shares could result in a reduction in the liquidity of the Corporation's Common Shares and a reduction in its ability to raise capital. Because a significant portion of the Corporation's operations have been and will be financed through the sale of equity securities, a decline in the price of the Common Shares could be especially detrimental to the Corporation's liquidity and its operations. Such reductions may force the Corporation to reallocate funds from other planned uses and may have a significant negative effect on the Corporation's business plan and operations, including its ability to develop new products and continue its current operations. If the Corporation's Common Share price declines, it can offer no assurance that it will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Corporation is unable to

raise sufficient capital in the future, the Corporation may not be able to have the resources to continue its normal operations.

***Market Risks.***

The Corporation's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change both in short-term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Corporation and its securities.

***Dilution.***

Issuances of additional securities including, but not limited to, its Common Shares or some form of convertible debentures, will result in a substantial dilution of the equity interests of any shareholders.

## **PROMOTERS**

Aman Parmar, a director of the Corporation, may be a promoter of the Corporation within the meaning of applicable securities legislation in British Columbia. Information about Mr. Parmar is disclosed elsewhere in this Prospectus in connection with his roles and as a director of the Corporation.

Mr. Parmar holds, directly and/or indirectly, 3,183,333 Common Shares, representing 9.64% of the Corporation's current issued and outstanding Common Shares. Mr. Parmar also will be issued 250,000 Options and 1,000,000 RSUs upon successful Listing. Mr. Parmar is expected to receive no further compensation for his role as a director of the Corporation.

Other than as disclosed elsewhere in this Prospectus, no person who was a promoter of the Corporation within the last two years:

- received anything of value directly or indirectly from the Corporation;
- sold or otherwise transferred any asset to the Corporation within the last two years;
- has been a director, CEO or CFO of any company that during the past 10 years was the subject of a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
- has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
- has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
- has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

See "*Options to Purchase Securities*"; "*Directors and Executive Officers*"; "*Executive Compensation*" and "*Interest of Management and Others in Material Transactions*" for further disclosure.



## **LEGAL PROCEEDINGS AND REGULATORY MATTERS**

The Corporation is not a party to any legal proceedings or regulatory actions and is not aware of any such proceedings known to be contemplated.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

No person who is: (a) a director or executive officer of the Corporation; (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the Corporation's outstanding voting securities; (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b), has any material interest, direct or indirect, in any material transaction since incorporation or in any proposed transaction that has materially affected or will materially affect the Corporation.

## **AUDITOR, TRANSFER AGENT AND REGISTRARS**

The auditors of the Corporation are Baker Tilly WM LLP, Chartered Professional Accountants. They have advised the Corporation that they are independent of the Corporation within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The Corporation intends to appoint, in due course, Odyssey Trust Company, located at 350-409 Granville Street, Vancouver, BC V6C 1T2, as the registrar and transfer agent of the Corporation.

## **MATERIAL CONTRACTS**

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation since its incorporation, which are currently in effect and considered to be currently material:

1. The Fire Eye Option Agreement.

## **EXPERTS**

Baker Tilly WM LLP, Chartered Professional Accountants, have audited the Corporation's financial statements.

Kristian Whitehead, P. Geo., authored the Fire Eye Property Technical Report, which was prepared for the Corporation with respect to the Fire Eye Property, dated May 14, 2022.

No person or company whose profession or business gives authority to a report, valuation, statement or opinion and whom is named as having prepared or certified a report or valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of the Corporation or any associate of the Corporation.

As at the date hereof, none of the aforementioned persons beneficially owns, directly or indirectly, securities of the Corporation or its associates and affiliates. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as, a director, senior officer or employee of the Corporation or of an associate or affiliate of the Corporation, or as a promoter of the Corporation or an associate or affiliate of the Corporation.

## **OTHER MATERIAL FACTS**

To management's knowledge, there are no other material facts relating to the Corporation that are not otherwise disclosed in this Prospectus or are necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the Corporation.

## **RIGHTS OF WITHDRAWAL AND RESCISSION**

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

## **FINANCIAL STATEMENT DISCLOSURE**

All financial information herein has been presented in Canadian dollars in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee ("**IFRS**").

The financial statements of the Corporation have been prepared in accordance with IFRS and are included in this Prospectus (please see "*Appendix A – Vortex Energy Corp. - Financial Statements* and *Appendix B - Vortex Energy Corp. – Management's Discussion and Analysis*).

**APPENDIX "A"**

**VORTEX ENERGY CORP. – FINANCIAL STATEMENTS**

**(ATTACHED)**

**VORTEX ENERGY CORP.**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM INCORPORATION ON**  
**JULY 13, 2021 to MAY 31, 2022**

---

## **INDEPENDENT AUDITOR'S REPORT**

To the Directors of Vortex Energy Corp.:

### ***Opinion***

We have audited the financial statements of Vortex Energy Corp. (the "Company"), which comprise the statement of financial position as at May 31, 2022, the statement of net loss and comprehensive loss, statement of changes in shareholders' equity and statement of cash flows for the period from incorporation on July 13, 2021 to May 31, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2022, and its financial performance and its cash flows for the period from incorporation on July 13, 2021 to May 31, 2022 in accordance with International Financial Reporting Standards.

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

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

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

We draw attention to Note 2 in the financial statements, which describes events and conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

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

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

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

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

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

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

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

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

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

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.  
August xx, 2022

# VORTEX ENERGY CORP.

Statement of Financial Position

As at May 31, 2022

In Canadian Dollars, unless noted

As at	Note	May 31, 2022
		\$
<b>ASSETS</b>		
Cash		1,696,090
Prepaid expenses		21,375
<b>TOTAL CURRENT ASSETS</b>		<b>1,717,465</b>
Exploration and evaluation asset	5	75,000
<b>TOTAL ASSETS</b>		<b>1,792,465</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities		108,527
<b>TOTAL LIABILITIES</b>		<b>108,527</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	6	2,004,348
Deficit		(320,410)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,683,938</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,792,465</b>

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

*Going concern (Note 2)*

Approved on behalf of the Board of Directors:

"Kirk Hollohan" Director

"Eli Dusenbury" Director



## VORTEX ENERGY CORP.

Statement of Net Loss and Comprehensive Loss

For the Period from Incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

	Note	Period ended May 31, 2022
		\$
<b>EXPENSES</b>		
Advertising and marketing		36,750
Consulting fees		139,125
Filing fees		200
Management fees	7	63,000
Office and miscellaneous		4,259
Pre-exploration and evaluation		26,250
Professional fees		46,589
Travel		4,237
<b>NET AND COMPREHENSIVE LOSS</b>		<b>(320,410)</b>
Loss per share, basic and diluted		(0.01)
Weighted average number of common shares outstanding – Basic and diluted		25,567,168

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

# VORTEX ENERGY CORP.

## Statement of Changes in Shareholders' Equity

For the Period from Incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

	Note	Common Shares	Share Capital	Deficit	Total Equity
		(#)	\$	\$	\$
<b>Incorporation, July 13, 2021</b>		-	-	-	-
Incorporation shares	6	500	5	-	5
Private placement - common shares at \$0.02	6	21,000,000	420,000	-	420,000
Private placement - common shares at \$0.10	6	10,315,000	1,031,500	-	1,031,500
Private placement - units at \$0.40	6	1,412,500	565,000	-	565,000
Share issuance costs	6	200,000	(12,157)	-	(12,157)
Loss and comprehensive for the period		-	-	(320,410)	(320,410)
<b>Balances May 31, 2022</b>		<b>32,928,000</b>	<b>2,004,348</b>	<b>(320,410)</b>	<b>1,683,938</b>

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

# VORTEX ENERGY CORP.

## Statement of Cash Flows

For the Period from Incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

	<b>Period ended May 31, 2022</b>
	<b>\$</b>
<b>OPERATING ACTIVITIES</b>	
Net loss for the period	(320,410)
<b>Changes in non-cash working capital items:</b>	
Accounts payable and accrued liabilities	54,902
<b>Cash used in operating activities</b>	<b>(265,508)</b>
<b>INVESTING ACTIVITIES</b>	
Acquisition of exploration and evaluation asset	(75,000)
Prepaid expenses	(21,375)
<b>Cash used in investing activities</b>	<b>(96,375)</b>
<b>FINANCING ACTIVITY</b>	
Proceeds from share issuances, net of costs	2,004,348
<b>Cash received from financing activity</b>	<b>2,004,438</b>
<b>Net change in cash</b>	<b>1,696,090</b>
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>1,696,090</b>

*Supplemental cash flow information – Note 9*

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

# **VORTEX ENERGY CORP.**

## **Notes to the Financial Statements**

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

---

### **1. NATURE OF OPERATIONS**

Vortex Energy Corp. (the “Company”) was incorporated as “Sustainable Green Mining Corp.” under the laws of British Columbia on July 13, 2021. On June 14, 2022, the Company changed its name from “Sustainable Green Mining Corp.” to “Vortex Energy Corp.”

The Company’s registered office and principal place of business is 1930 – 1177 West Hastings Street, British Columbia V6C 4T5.

The Company was incorporated with the intention of pursuing a strategic acquisition in the green energy and mineral exploration sector.

These financial statements for the period ended May 31, 2022 were approved by the Board of Directors on August 22, 2022.

### **2. GOING CONCERN**

The Company has incurred losses since inception and has no current source of operating revenue and is accordingly dependent upon the receipt of equity and/or related party debt financing on terms which are acceptable.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. At May 31, 2022 the Company had total equity of \$1,683,938, working capital of \$1,533,938, and had a net loss and negative operating cash flows. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The Company expects to incur further losses in the development of its business.

The COVID-19 pandemic continues to impact the global economic environment. The current situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Company is not known at this time. Estimates and judgments made by management in the preparation of these financial statements are subject to a higher degree of measurement uncertainty during this volatile period.

These events and conditions indicate a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. If for any reason, the Company is unable to continue as a going concern, this could result in adjustments to the amounts and classifications of assets and liabilities in the Company’s financial statements and such adjustments could be material.

### **3. BASIS OF PRESENTATION**

These 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. The accounting policies below have been applied to all periods presented in these financial statements and are based on International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

#### **Significant judgments, estimates and assumptions**

The preparation of the Company’s financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period.

---

# **VORTEX ENERGY CORP.**

## **Notes to the Financial Statements**

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

---

Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

### **4. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Provisions**

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense.

#### **b) Income taxes**

Current tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit which may differ from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxable profit or accounting profit. Deferred tax liabilities on temporary differences associated with shares in subsidiaries and joint ventures is not provided for if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are likely to reverse without discount. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date. Deferred tax assets are recognized for all temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different entities which intend to settle current tax assets and liabilities on a net basis or simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled. Changes in deferred tax assets or liabilities are recognized as a component of income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

#### **c) Share capital**

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on fair value at the date the shares were granted. The fair value is determined by referring to concurrent financing or recent private placements for cash.

---

# **VORTEX ENERGY CORP.**

## **Notes to the Financial Statements**

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

---

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. The share component of the unit is measured at fair value determined by referring to concurrent financing or recent private placements for cash, and the warrant component is measured by reference to the residual value, if any. Any value allocated to the warrant component is credited to reserves.

### **d) Share-based payments**

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received is not determinable, then the fair value of the equity instruments issued is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing Model) for all share options granted to directors, employees and certain non-employees. For directors and employees, the fair value of the share options is measured at the date of grant. For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share options is charged to profit or loss, with the offsetting credit to reserves. For directors, employees and consultants, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. If options vest immediately, the expense is recognized when the options are issued.

Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in reserves are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in reserves.

### **e) Earnings (loss) per share**

Basic earnings (loss) per share is computed by dividing net income (loss) (the numerator) by the weighted average number of outstanding common shares for the period (the denominator). In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments.

In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. Therefore, basic and diluted loss per share are the same. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company's common shares for the period will be dilutive.

# VORTEX ENERGY CORP.

## Notes to the Financial Statements

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

### f) Financial instruments – recognition and measurement

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

#### Classification

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

The Company classifies its financial instruments as follows:

<b>Financial assets/liabilities</b>	<b>Classification</b>
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost

#### Measurement – amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Amortized cost is calculated using the effective interest method.

#### Measurement – fair value through profit or loss

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

#### Measurement – fair value through other comprehensive income

Financial assets and liabilities carried at FVOCI are initially recorded at fair value plus or minus transaction costs. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in other comprehensive income or loss in the period in which they arise.

#### Impairment of financial assets at amortized cost

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

#### Derecognition

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

# **VORTEX ENERGY CORP.**

## **Notes to the Financial Statements**

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

---

Financial liabilities are removed from the balance sheet when the contract is extinguished, or, when the obligation specified in the contract is either discharged or cancelled or expires. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss is recorded in profit or loss.

### **g) Exploration and evaluation assets**

Exploration and evaluation expenditures incurred before the Company has obtained legal rights to explore an area of interest are expensed as incurred. All costs related to the acquisition, exploration and evaluation of mineral properties incurred after the acquisition of legal rights to explore, including property maintenance costs, are capitalized by property. If economically recoverable mineral reserves are determined to exist, capitalized costs of the related property will be reclassified as mineral assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off or derecognized. Exploration and evaluation assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In circumstances where indicators of impairment exist, an impairment test is required to determine if the carrying amount of the exploration and evaluation asset exceeds its estimated recoverable amount. The estimated recoverable amount is the greater of fair value less costs of disposal ("FVLCD"), and value in use ("VIU"). If the exploration and evaluation asset is determined to be impaired, the exploration and evaluation asset is written down to the estimated recoverable amount.

The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing and permitting to explore and complete the development of the properties, and future profitable production from the disposition of the minerals produced from the properties or by sale.

### **h) Changes in significant accounting policies**

There are no new standards issued, but not yet effective, that are anticipated to have a material impact on the Company's financial statements.

## **5. EXPLORATION AND EVALUATION ASSETS**

### **a) Alliance Uranium Project**

On January 4, 2022, the Company entered into an asset purchase agreement for the purchase of the mineral property referred to as the Alliance Uranium Project located in Quebec, Canada. Pursuant to the terms of the asset purchase agreement, the Company will issue 600,000 common shares, which will be subject to leak-out restrictions, and \$10,000 cash.

The leak-out restrictions state that the recipient of the common shares will not be able to sell or trade any of the Consideration Shares, except as follows, the first 75,000 Consideration shares will be released on the Go-Public Date (as defined in the asset purchase agreement) and the remaining Consideration Shares shall be released in equal tranches over 24 months over the Go-Public Date.

### **b) Fire Eye Property**

On March 10, 2022 (the "effective date"), the Company entered into a property option agreement for the option to purchase the mineral property referred to as the Fire Eye Property located in Saskatchewan, Canada, upon satisfaction of each of the following obligations:



# VORTEX ENERGY CORP.

## Notes to the Financial Statements

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

- i. Total cash consideration of \$230,000 to be paid as follows:
  - a. \$75,000 within five calendar days of the effective date (paid);
  - b. \$75,000 on or before 10 calendar days after the seller (or "Optionor") has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (\$21,375 in prepaid expenses as at May 31, 2022);
  - c. \$30,000 on or before March 10, 2023;
  - d. \$50,000 on or before March 10, 2024.
- ii. Issuing the Optionor an aggregate of 400,000 common shares, as follows:
  - a. 100,000 common shares on or before 10 calendar days after the Optionor has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;
  - b. 150,000 common shares on or before March 10, 2023; and
  - c. 150,000 common shares on or before March 10, 2024.
- iii. Incurring an aggregate expenditure amount of \$360,000 on the property, as follows:
  - a. \$110,000 of expenditures on or before March 10, 2023; and
  - b. \$250,000 of expenditures on or before March 10, 2024.

## 6. EQUITY

### a) Authorized share capital

Unlimited number of common shares without par value.

### b) Issued share capital

On July 13, 2021, the Company issued 500 common shares at \$0.01 per common share for total proceeds of \$5, pursuant to incorporation.

On July 27, 2021, the Company issued 21,000,000 common shares at \$0.02 per common share for total proceeds of \$420,000, pursuant to a private placement.

On December 15, 2021, the Company issued 10,315,000 common shares at \$0.10 per common share for total proceeds of \$1,031,500 and 200,000 common shares valued at \$20,000 for services provided. Net cash proceeds were \$1,019,343 after cash and non-cash share issuance costs of \$32,157.

On May 25, 2022, the Company closed a non-brokered private placement, pursuant to which the Company issued units 1,412,500 at a price of \$0.40 per unit for gross proceeds of \$565,000. Each unit is comprised of one common share and one non-transferable share purchase warrant, exercisable for a period of 24 months at a price of \$0.75 per share. Using the residual method, 100% of the proceeds were allocated to the value of the shares, as they were issued at the fair value at the time of issuance. As a result, the fair value of the warrants is nil.

### c) Warrants

A summary of the Company's common share purchase warrants activity during the period is as follows:

	Number of Warrants	Weighted Average Exercise Price	Expiry Date	Remaining Life
Issued, May 25, 2022	1,412,500	0.75	May 25, 2024	1.99
<b>Balance, May 31, 2022</b>	<b>1,412,500</b>	<b>\$ 0.75</b>		

# VORTEX ENERGY CORP.

## Notes to the Financial Statements

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

### 7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the period ended May 31, 2022, the Company incurred \$63,000 in management fees to companies controlled by the corporate officers and a director of the Company.

At May 31, 2022, \$7,875 due to a company controlled by a director was included in accounts payable and accrued liabilities. The amount payable is non-interest bearing, is unsecured, and has no specific terms of repayment.

### 8. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	<u>May 31, 2022</u>
	<u>\$</u>
Net loss for the period	(320,410)
Statutory tax rate	27%
Expected income tax recovery	86,511
Share issuance costs	8,682
Change in unrecognized deductible temporary differences	(95,193)
Total income tax recovery (expense)	<u>-</u>

The Company's deductible temporary differences and unused tax losses consist of the following:

	<u>May 31, 2022</u>
	<u>\$</u>
<b>Unrecognized deferred income tax asset:</b>	
Non-capital loss carry forwards expiring in 2042	<u>88,247</u>

The Company has non-capital losses of approximately \$326,841 which may be carried forward and applied against taxable income in future years. Future tax benefits which may arise as a result of these losses have not been recognized in these financial statements.

### 9. SUPPLEMENTAL CASH FLOW INFORMATION

During the period ended May 31, 2022, the Company incurred the following non-cash transactions relating to investing and financing activities. These were excluded from the statement of cash flows:

#### Investing activities

Prepaid expenses includes \$21,375 related to exploration and evaluation during the period.

#### Financing activities

Share issuance costs deducted from share capital include \$20,000 for non-cash financing activities in respect of 200,000 common shares issued for services.

No interest nor income tax were paid or received in cash during the period ended May 31, 2022.

# VORTEX ENERGY CORP.

## Notes to the Financial Statements

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

---

### 10. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its shareholders' equity, which was \$1,683,938 at May 31, 2022.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are intended to be secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits. The Company does not pay dividends and has no long-term debt or bank credit facility. The Company is not subject to externally imposed capital requirements.

### 11. RISK MANAGEMENT

#### a) Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

##### (i) Credit risk

The Company is not exposed to credit risk as its cash is measured at FVTPL.

##### (ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at May 31, 2022, the Company's working capital is \$1,608,938 and it does not have any long-term liabilities.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2022, the Company had cash of \$1,696,090 and total liabilities of \$108,527.

##### (iii) Market risk

Market risk incorporates changes in market factors such as interest rates, currency rates, and equity prices.

###### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At May 31, 2022, the Company does not have any interest bearing liabilities and is not exposed to interest rate risk.

###### Currency rate risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's assets and liabilities are denominated in Canadian Dollars, and transactions are originated in Canadian Dollars; thus the Company does not consider itself to be exposed to significant currency risk.

---

# **VORTEX ENERGY CORP.**

## **Notes to the Financial Statements**

For the period from incorporation on July 13, 2021 to May 31, 2022

In Canadian Dollars, unless noted

---

### **b) Fair values**

The carrying values of accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Financial instruments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1** – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2** – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3** – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash is considered to be Level 1 within the fair value hierarchy.

## **12. SUBSEQUENT EVENTS**

The Company is in the process of completing a non-offering prospectus, with the intent of listing its common shares on the Canadian Securities Exchange.

**APPENDIX “B”**

**VORTEX ENERGY CORP. – MANAGEMENT’S DISCUSSION AND ANALYSIS**

**(ATTACHED)**

# **VORTEX ENERGY CORP.**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For the period from incorporation on July 13, 2021 to May 31, 2022**

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements and notes thereto for the period from incorporation on July 13, 2021 to May 31, 2022 of Vortex Energy Corp. (the "Company"). Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian Dollars unless otherwise indicated.

## **DATE**

This MD&A is prepared as of August 22, 2022.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this MD&A. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

## **DESCRIPTION OF BUSINESS**

Vortex Energy Corp. (the "Company") was incorporated as "Sustainable Green Mining Corp." under the laws of British Columbia on July 13, 2021 and as such, there are no comparative periods for presentation in the statement of financial position, nor in the statement of net loss and comprehensive loss, statement of changes in shareholders' equity and statement of cash flows. On June 14, 2022, the Company changed its name from "Sustainable Green Mining Corp." to "Vortex Energy Corp."

The Company's registered office and principal place of business is 1930 – 1177 West Hastings Street, British Columbia V6C 4T5.

The Company was incorporated with the intention of pursuing a strategic acquisition in the green energy and mineral exploration sector.

## **COVID-19**

The COVID-19 pandemic continues to impact the global economic recovery. The current situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Company is not known at this time. Estimates and judgements made by management in the preparation of these financial statements are subject to a higher degree of measurement uncertainty during this volatile period.

## HIGHLIGHTS

- On July 13, 2021, the Company issued 500 common shares at \$0.01 per common share for total proceeds of \$5, pursuant to incorporation.
- On July 27, 2021, the Company issued 21,000,000 common shares at \$0.02 per common share for total proceeds of \$420,000, pursuant to a private placement.
- On December 15, 2021, the Company issued 10,315,000 common shares at \$0.10 per common share for total proceeds of \$1,031,500 and 200,000 common shares valued at \$20,000 for services provided. Net cash proceeds were \$1,019,343 after cash and non-cash share issuance costs of \$32,157.
- On January 4, 2022, the Company entered into an asset purchase agreement with a third party for the purchase of the mineral property referred to as the Alliance Uranium Project located in Quebec, Canada.
- On May 10, 2022, the Company entered into a property option agreement with a third party for the option to purchase the mineral property referred to as the Fire Eye Property located in Saskatchewan, Canada.
- On May 25, 2022, the Company closed a non-brokered private placement, pursuant to which the Company issued units 1,412,500 at a price of \$0.40 per unit for gross proceeds of \$565,000. Each unit is comprised of one common share and one non-transferable share purchase warrant, exercisable for a period of 24 months at a price of \$0.75 per share. Using the residual method, 100% of the proceeds were allocated to the value of the shares, as they were issued at the fair value at the time of issuance. As a result, the fair value of the warrants is nil.

## OVERALL PERFORMANCE

The Company has not generated revenues to date from operations as it is in the start up phase and continues to focus on the acquisition of strategic green energy and exploration assets.

At May 31, 2022 the Company had net assets of \$1,683,938 and working capital of \$1,608,938 .

The assets consisted of the following:

<b>As at</b>	<b>May 31, 2022</b>
	<b>\$</b>
Cash	1,696,090
Prepaid expenses	21,375
Evaluation and exploration asset	75,000
<b>TOTAL ASSETS</b>	<b>1,792,465</b>

The liabilities consisted of the following:

<b>As at</b>	<b>Notes</b>	<b>May 31, 2022</b>
		<b>\$</b>
Accounts payable and accrued liabilities		108,527
<b>TOTAL LIABILITIES</b>		<b>108,527</b>



## DISCUSSION OF OPERATIONS

The Company generated an operating loss of \$320,410 for the period ended May 31, 2022. The following is the results of operations by category for the period ended May 31, 2022. As of May 31, 2022, a full year of operations has not taken place; thus, quarterly results are not shown.

	<b>Period ended May 31, 2022</b>
	<b>\$</b>
<b>EXPENSES</b>	
Advertising and marketing	36,750
Consulting fees	139,125
Filing fees	200
Management fees	63,000
Office and miscellaneous	4,259
Pre-exploration and evaluation expense	26,250
Professional fees	46,589
Travel	4,237
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>(320,410)</b>

- Advertising and marketing consists primarily of costs related to website and corporate branding.
- Consulting fees consists primarily of services used in corporate and operating activities.
- Management fees consists of costs incurred related to the oversight and management of the Company.
- Pre-exploration and evaluation expense consists of costs incurred related to the asset acquisitions (see "Asset Acquisitions" section below).
- Professional fees consists primarily of costs incurred for general corporate matters (i.e. legal, accounting and auditor fees).

## EXPLORATION AND EVALUATION ASSET ACQUISITIONS

### a) Alliance Uranium Project

On January 4, 2022, the Company entered into an asset purchase agreement for the purchase of the mineral property referred to as the Alliance Uranium Project located in Quebec, Canada. Pursuant to the terms of the asset purchase agreement, the Company will issue 600,000 common shares, which will be subject to leak-out restrictions, and \$10,000 cash.

The leak-out restrictions state that the recipient of the common shares will not be able to sell or trade any of the Consideration Shares, except as follows, the first 75,000 Consideration shares will be released on the Go-Public Date (as defined in the asset purchase agreement) and the remaining Consideration Shares shall be released in equal tranches over 24 months over the Go-Public Date.

### b) Fire Eye Property

On March 10, 2022 (the "effective date"), the Company entered into a property option agreement for the option to purchase the mineral property referred to as the Fire Eye Property located in Saskatchewan, Canada, upon satisfaction of each of the following obligations:

- i. Total cash consideration of \$230,000 to be paid as follows:
  - a. \$75,000 within five calendar days of the effective date (paid);
  - b. \$75,000 on or before 10 calendar days after the seller (or "Optionor") has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (\$21,375 in prepaid expenses as at May 31, 2022);
  - c. \$30,000 on or before March 10, 2023;
  - d. \$50,000 on or before March 10, 2024.
- ii. Issuing the Optionor an aggregate of 400,000 common shares, as follows:
  - a. 100,000 common shares on or before 10 calendar days after the Optionor has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;
  - b. 150,000 common shares on or before March 10, 2023; and
  - c. 150,000 common shares on or before March 10, 2024.
- iii. Incurring an aggregate expenditure amount of \$360,000 on the property, as follows:
  - a. \$110,000 of expenditures on or before March 10, 2023; and
  - b. \$250,000 of expenditures on or before March 10, 2024.

## **LIQUIDITY**

During the period ended May 31, 2022, the Company issued 32,928,000 common shares for total proceeds net of share issuance costs of \$2,004,348.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2022, the Company had cash of \$1,696,090 and total liabilities of \$108,527.

## **Operating Activities**

The Company used net cash of \$265,508 in operating activities during the period ended May 31, 2022.

## **Investing Activities**

The Company incurred costs of \$96,375 related to the Fire Eye property option agreement during the period ended May 31, 2022, where \$21,375 was incurred as a prepayment of future expenditures.

## **Financing Activities**

The Company received net cash of \$2,004,348 from financing activities during the period ended May 31, 2022, as a result of the equity transactions outlined under "Liquidity" above.

## **OFF-BALANCE SHEET ARRANGEMENTS**

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

## **TRANSACTIONS WITH RELATED PARTIES**

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the period ended May 31, 2022, the Company incurred \$63,000 in management fees to companies controlled by the corporate officers and a director of the Company.

At May 31, 2022, \$7,875 due to a company controlled by a director was included in accounts payable and accrued liabilities. The amount payable is non-interest bearing, is unsecured, and has no specific terms of repayment.

## PROPOSED TRANSACTIONS

The Company is in the process of completing a non-offering prospectus, with the intent of listing its common shares on the Canadian Securities Exchange.

## CHANGES IN ACCOUNTING POLICIES

The MD&A has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the period ended May 31, 2022.

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

### ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's expenses is disclosed in the "Overall Performance" section above.

### DISCLOSURE OF OUTSTANDING SHARE DATA

#### a) Authorized share capital

Unlimited number of common shares without par value.

#### b) Issued share capital

On July 13, 2021, the Company issued 500 common shares at \$0.01 per common share for total proceeds of \$5, pursuant to incorporation.

On July 27, 2021, the Company issued 21,000,000 common shares at \$0.02 per common share for total proceeds of \$420,000, pursuant to a private placement.

On December 15, 2021, the Company issued 10,315,000 common shares at \$0.10 per common share for total proceeds of \$1,031,500 and 200,000 common shares valued at \$20,000 for services provided. Net cash proceeds were \$1,019,343 after cash and non-cash share issuance costs of \$32,157.

On May 25, 2022, the Company closed a non-brokered private placement, pursuant to which the Company issued units 1,412,500 at a price of \$0.40 per unit for gross proceeds of \$565,000. Each unit is comprised of one common share and one non-transferable share purchase warrant, exercisable for a period of 24 months at a price of \$0.75 per share. Using the residual method, 100% of the proceeds were allocated to the value of the shares, as they were issued at the fair value at the time of issuance. As a result, the fair value of the warrants is nil.

As of the date of this MD&A, the Company had 32,928,000 common shares outstanding (May 31, 2022 – 32,928,000).

#### c) Warrants

A summary of the Company's common share purchase warrants activity during the period:

	Number of Warrants	Weighted Average Exercise Price	Expiry Date	Remaining Life
Balance, July 13, 2021	-	\$ -	-	-
Issued, May 25, 2022	1,412,500	0.75	May 25, 2024	1.99
<b>Balance, May 31, 2022</b>	<b>1,412,500</b>	<b>\$ 0.75</b>	<b>-</b>	<b>1.99</b>

As of the date of this MD&A, the Company had 1,412,500 warrants outstanding (May 31, 2022 – 1,412,500).

## **RISK FACTORS**

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### **Risks Related to the Company's Business**

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

*The Company has no operating history*

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

*History of losses*

The Company has incurred losses in the period from incorporation on July 13, 2021 to May 31, 2022. The Company may not be able to achieve or maintain profitability and will continue to incur significant losses in the future.

*Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

*Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its human capital base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

### *Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's shares.

### *Liquidity*

The Company cannot predict at what prices the Company's securities will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

### *Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Company's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources.

### *Privacy*

The Company and its employees and consultants have access, in the course of their duties, to personal information of clients of the Company. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future clients whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a client's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

## **BOARD APPROVAL**

The Board of the Company has approved this MD&A.

**APPENDIX “C”**

**VORTEX ENERGY CORP. - SHARE-BASED COMPENSATION PLAN**

**(ATTACHED)**

**VORTEX ENERGY CORP.**  
**EQUITY INCENTIVE PLAN**

**AUGUST 8, 2022**

**PART 1**  
**PURPOSE**

**1.1 Purpose**

The purpose of this Plan is to secure for the Company and its shareholders the benefits inherent in share ownership by the employees and directors of the Company and its affiliates who, in the judgment of the Board, will be largely responsible for its future growth and success. It is generally recognized that equity incentive plans of the nature provided for herein aid in retaining and encouraging employees and directors of exceptional ability because of the opportunity offered them to acquire a proprietary interest in the Company.

**1.2 Available Awards**

Awards that may be granted under this Plan include:

- (a) Options;
- (b) Deferred Share Units; and
- (c) Restricted Share Rights.

**PART 2**  
**INTERPRETATION**

**2.1 Definitions**

- (a) “**Affiliate**” has the meaning set forth in the BCA.
- (b) “**Award**” means any right granted under this Plan, including Options, Deferred Share Units and Restricted Share Rights.
- (c) “**BCA**” means the *Business Corporations Act* (British Columbia).
- (d) “**Blackout Period**” means a period in which the trading of Shares or other securities of the Company is restricted under any policy of the Company then in effect.
- (e) “**Board**” means the board of directors of the Company.
- (f) “**Cashless Exercise Right**” has the meaning set forth in Section 3.5 of this Plan.
- (g) “**Change of Control**” means the occurrence and completion of any one or more of the following events:
  - (A) the Company shall not be the surviving entity in a merger, amalgamation or other reorganization (or survives only as a

subsidiary of an entity other than a previously wholly-owned subsidiary of the Company);

- (B) the Company shall sell or otherwise transfer, including by way of the grant of a leasehold interest or joint venture interest (or one or more subsidiaries of the Company shall sell or otherwise transfer, including without limitation by way of the grant of a leasehold interest or joint venture interest) property or assets (i) aggregating more than 50% of the consolidated assets (measured by either book value or fair market value) of the Company and its subsidiaries as at the end of the most recently completed financial year of the Company or (ii) which during the most recently completed financial year of the Company generated, or during the then current financial year of the Company are expected to generate, more than 50% of the consolidated operating income or cash flow of the Company and its subsidiaries, to any other person or persons (other than one or more Designated Affiliates of the Company), in which case the Change of Control shall be deemed to occur on the date of transfer of the assets representing one dollar more than 50% of the consolidated assets in the case of clause (i) or 50% of the consolidated operating income or cash flow in the case of clause (ii), as the case may be;
- (C) the Company is to be dissolved and liquidated;
- (D) any person, entity or group of persons or entities acting jointly or in concert acquires or gains ownership or control (including, without limitation, the power to vote) more than 50% of the Company's outstanding voting securities; or
- (E) as a result of or in connection with: (i) the contested election of directors, or; (ii) a transaction referred to in subparagraph (i) above, the persons who were directors of the Company before such election or transaction shall cease to constitute a majority of the directors.

For the purposes of the foregoing, "voting securities" means Shares and any other shares entitled to vote for the election of directors and shall include any securities, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities.

- (h) "**Code**" means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding guidance thereunder.
- (i) "**Company**" means Vortex Energy Corp., a company incorporated under the laws of British Columbia.
- (j) "**Deferred Payment Date**" for a Participant means the date after the Restricted Period which is the earlier of (i) the date which the Participant has elected to



defer receipt of Restricted Shares in accordance with Section 4.4 of this Restricted Share Plan; and (ii) the Participant's Separation Date.

- (k) **"Deferred Share Unit"** means the agreement by the Company to pay, and the right of the Participant to receive, a Deferred Share Unit Payment for each Deferred Share Unit held, evidenced by way of book-keeping entry in the books of the Company and administered pursuant to this Plan.
- (l) **"Deferred Share Unit Grant Letter"** has the meaning ascribed thereto in Section 5.2 of this Plan.
- (m) **"Deferred Share Unit Payment"** means, subject to any adjustment in accordance with Section 5.5 of this Plan, the issuance to a Participant of one previously unissued Share for each whole Deferred Share Unit credited to such Participant.
- (n) **"Designated Affiliate"** means subsidiaries of the Company designated by the Board from time to time for purposes of this Plan.
- (o) **"Director Retirement"** in respect of a Participant, means the Participant ceasing to hold any directorships with the Company, any Designated Affiliate and any entity related to the Company for purposes of the *Income Tax Act* (Canada) after attaining a stipulated age in accordance with the Company's normal retirement policy, or earlier with the Company's consent.
- (p) **"Director Separation Date"** means the date that a Participant ceases to hold any directorships with the Company and any Designated Affiliate due to a Director Retirement or Director Termination and also ceases to serve as an employee or consultant with the Company, any Designated Affiliate, and any entity related to the Company for the purposes of the *Income Tax Act* (Canada).
- (q) **"Director Termination"** means the removal of, resignation or failure to re-elect the Eligible Director (excluding a Director Retirement) as a director of the Company, a Designated Affiliate and any entity related to the Company for purposes of the *Income Tax Act* (Canada).
- (r) **"Effective Date"** means March \_\_\_\_, 2022, being the date upon which this Plan was adopted by the Board.
- (s) **"Eligible Directors"** means the directors of the Company or any Designated Affiliate who are, as such, eligible for participation in this Plan.
- (t) **"Eligible Employees"** means employees (including employees who are officers and directors) of the Company or any Designated Affiliate thereof, whether or not they have a written employment contract with Company, determined by the Board, as employees eligible for participation in this Plan. Eligible Employees shall include Service Providers eligible for participation in this Plan as determined by the Board.
- (u) **"Exchange"** means the Canadian Securities Exchange, or any successor entity, which is the principal stock exchange on which the Shares are listed for trading.
- (v) **"Fair Market Value"** with respect to the Shares as of any date, means the closing market price of the Shares on the trading day prior to such date. Notwithstanding the foregoing, for the purposes of establishing the exercise price

per Share of any Option, or the value of any Share underlying a Restricted Share Right or Deferred Share Unit on the grant date, the Fair Market Value means the greater of the closing market price of the Shares on (a) the trading day prior to the date of grant of the applicable Award; and (b) the date of grant of the applicable Award.

- (w) “**Option**” means an option granted under the terms of this Plan.
- (x) “**Option Period**” means the period during which an Option is outstanding.
- (y) “**Option Shares**” has the meaning set forth in Section 3.5 of this Plan.
- (z) “**Optionee**” means an Eligible Employee or Eligible Director to whom an Option has been granted under the terms of this Plan.
- (aa) “**Participant**” means an Eligible Employee or Eligible Director who participates in this Plan.
- (bb) “**Plan**” means this Equity Incentive Plan, as it may be amended and restated from time to time.
- (cc) “**Restricted Period**” means any period of time that a Restricted Share Right is not vested and the Participant holding such Restricted Share Right remains ineligible to receive the relevant Shares, determined by the Board in its absolute discretion, however, such period of time may be reduced or eliminated from time to time and at any time and for any reason as determined by the Board, including, but not limited to, circumstances involving death or disability of a Participant.
- (dd) “**Retirement**” in respect of an Eligible Employee, means the Eligible Employee ceasing to hold any employment with the Company or any Designated Affiliate after attaining a stipulated age in accordance with the Company’s normal retirement policy, or earlier with the Company’s consent.
- (ee) “**Restricted Share Right**” has such meaning as ascribed to such term at Section 4.1 of this Plan.
- (ff) “**Restricted Share Right Grant Letter**” has the meaning ascribed to such term in Section 4.2 of this Plan.
- (gg) “**Separation Date**” means the date that a Participant ceases to be an Eligible Director or Eligible Employee.
- (hh) “**Service Provider**” means any person or company engaged by the Company or a Designated Affiliate to provide services for an initial, renewable or extended period of 12 months or more.
- (ii) “**Shares**” means the common shares of the Company.
- (jj) “**Specified Employee**” means a U.S. Taxpayer who meets the definition of “specified employee”, as defined in Section 409A(a)(2)(B)(i) of the Internal Revenue Code.

- (kk) **“Termination”** means the termination of the employment (or consulting services) of an Eligible Employee with or without cause by the Company or a Designated Affiliate or the cessation of employment (or consulting services) of the Eligible Employee with the Company or a Designated Affiliate as a result of resignation or otherwise, other than the Retirement of the Eligible Employee.
- (ll) **“US Taxpayer”** means a Participant who is a US citizen, US permanent resident or other person who is subject to taxation on their income under the United States Internal Revenue Code of 1986.

## **2.2 Interpretation**

- (a) This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- (b) Whenever the Board (or Board committee, as the case may be) is to exercise discretion in the administration of the terms and conditions of this Plan, the term **“discretion”** means the sole and absolute discretion of the Board (or Board committee, as the case may be).
- (c) As used herein, the terms **“Part”** or **“Section”** mean and refer to the specified Part or Section of this Plan, respectively.
- (d) Where the word **“including”** or **“includes”** is used in this Plan, it means “including (or includes) without limitation”.
- (e) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (f) Unless otherwise specified, all references to money amounts are to Canadian dollars.

## **PART 3 STOCK OPTIONS**

### **3.1 Participation**

The Company may from time to time grant Options to Participants pursuant to this Plan.

### **3.2 Price**

The exercise price per Share of any Option shall be not less than one hundred per cent (100%) of the Fair Market Value.

### **3.3 Grant of Options**

The Board may at any time authorize the granting of Options to such Participants as it may select for the number of Shares that it shall designate, subject to the provisions of this Plan. The date of grant of an Option shall be the date such grant was approved by the Board.

Each Option granted to a Participant shall be evidenced by a stock option agreement with terms and conditions consistent with this Plan and as approved by the Board (and in all cases which

terms and conditions need not be the same in each case and may be changed from time to time, subject to Section 7.7 of this Plan, and any required approval of the Exchange or any other exchange or exchanges on which the Shares are then traded).

### 3.4 Terms of Options

The Option Period shall be five years from the date such Option is granted, or such greater or lesser duration as the Board may determine at the date of grant, and may thereafter be reduced with respect to any such Option as provided in Section 3.6 hereof covering termination of employment or death of the Optionee; provided, however, that at any time the expiry date of the Option Period in respect of any outstanding Option under this Plan should be determined to occur either during a Blackout Period or within ten business days following the expiry of the Blackout Period, the expiry date of such Option Period shall be deemed to be the date that is the tenth business day following the expiry of the Blackout Period.

Unless otherwise determined from time to time by the Board, Options shall vest and may be exercised (in each case to the nearest full Share) during the Option Period as follows:

- (a) at any time during the first six months of the Option Period, the Optionee may purchase up to 25% of the total number of Shares reserved for issuance pursuant to his or her Option; and
- (b) at any time during each additional six-month period of the Option Period the Optionee may purchase an additional 25% of the total number of Shares reserved for issuance pursuant to his or her Option plus any Shares not purchased in accordance with the preceding subsection (a) and this subsection (b) until, after the 18<sup>th</sup> month of the Option Period, 100% of the Option will be exercisable.

Except as set forth in Section 3.6, no Option may be exercised unless the Optionee is at the time of such exercise:

- (a) in the case of an Eligible Employee, in the employ (or retained as a Service Provider) of the Company or a Designated Affiliate and shall have been continuously so employed or retained since the grant of the Option; or
- (b) in the case of an Eligible Director, a director of the Company or a Designated Affiliate and shall have been such a director continuously since the grant of the Option.

The exercise of any Option will be contingent upon the Optionee having entered into an Option agreement with the Company on such terms and conditions as have been approved by the Board and which incorporates by reference the terms of this Plan. The exercise of any Option will, subject to Section 3.5, also be contingent upon receipt by the Company of cash payment of the full purchase price of the Shares being purchased.

### 3.5 Cashless Exercise Right

Participants have the right (the “**Cashless Exercise Right**”), in lieu of the right to exercise an Option, to terminate such Option in whole or in part by notice in writing delivered by the Participant to the Company electing to exercise the Cashless Exercise Right and, in lieu of receiving the Shares (the “**Option Shares**”) to which such Terminated Option relates, to receive the number of Shares, disregarding fractions, which is equal to the quotient obtained by:

- (a) subtracting the applicable Option exercise price per Share from the Fair Market Value per Share on the business day immediately prior to the exercise of the Cashless Exercise Right and multiplying the remainder by the number of Option Shares; and
- (b) dividing the product obtained under subsection 3.5(a) by the Fair Market Value per Share on the business day immediately prior to the exercise of the Cashless Exercise Right.

If a Participant exercises a Cashless Exercise Right in connection with an Option, it is exercisable only to the extent and on the same conditions that the related Option is exercisable under this Plan.

### **3.6 Effect of Termination of Employment or Death**

If an Optionee:

- (a) dies while employed by, a Service Provider to or while a director of the Company or a Designated Affiliate, any Option held by him or her at the date of death shall become exercisable in whole or in part, but only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or applicable laws of descent and distribution. Unless otherwise determined by the Board, all such Options shall be exercisable only to the extent that the Optionee was entitled to exercise the Option at the date of his or her death and only for 12 months after the date of death or prior to the expiration of the Option Period in respect thereof, whichever is sooner; and
- (b) ceases to be employed by, a Service Provider to, or act as a director of, the Company or a Designated Affiliate for cause, no Option held by such Optionee will, unless otherwise determined by the Board, be exercisable following the date on which such Optionee ceases to be so engaged; provided, however, that if an Optionee ceases to be employed by, a Service Provider to, or act as a director of, the Company or a Designated Affiliate for any reason other than cause then, unless otherwise determined by the Board, any Option held by such Optionee at the effective date thereof shall become exercisable for a period of up to 12 months thereafter or prior to the expiration of the Option Period in respect thereof, whichever is sooner.

### **3.7 Effect of Takeover Bid**

In the event of a Change of Control, unless otherwise determined by the Board, (i) all Options outstanding shall immediately vest and be exercisable; and (ii) all Options that are not otherwise exercised contemporaneously with the completion of the Change of Control will terminate and expire immediately thereafter.

### **3.8 Effect of Amalgamation or Merger**

Subject to Section 3.7, if the Company amalgamates or otherwise completes a plan of arrangement or merges with or into another corporation, any Shares receivable on the exercise of an Option shall be converted into the securities, property or cash which the Participant would have received upon such amalgamation, arrangement or merger if the Participant had exercised

his or her Option immediately prior to the record date applicable to such amalgamation, arrangement or merger, and the option price shall be adjusted appropriately by the Board and such adjustment shall be binding for all purposes of this Plan.

## **PART 4 RESTRICTED SHARE RIGHTS**

### **4.1 Participants**

The Company has the right to grant, in its sole and absolute discretion, to any Participant, rights to receive any number of fully paid and non-assessable Shares (“**Restricted Share Rights**”) as a discretionary payment in consideration of past services to the Company or as an incentive for future services, subject to this Plan and with such additional provisions and restrictions as the Board may determine. For purposes of calculating the number of Restricted Share Rights to be granted, the Company shall be obligated to value the Shares underlying such Restricted Share Rights at not less than one hundred per cent (100%) of the Fair Market Value.

### **4.2 Restricted Share Right Grant Letter**

Each grant of a Restricted Share Right under this Plan shall be evidenced by a grant letter (a “**Restricted Share Right Grant Letter**”) issued to the Participant by the Company. Such Restricted Share Right Grant Letter shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Restricted Share Right Grant Letter. The provisions of the various Restricted Share Right Grant Letters issued under this Plan need not be identical.

### **4.3 Restricted Period**

Concurrent with the determination to grant Restricted Share Rights to a Participant, the Board shall determine the Restricted Period applicable to such Restricted Share Rights. In addition, at the sole discretion of the Board, at the time of grant, the Restricted Share Rights may be subject to performance conditions to be achieved by the Company or a class of Participants or by a particular Participant on an individual basis, within a Restricted Period, for such Restricted Share Rights to entitle the holder thereof to receive the underlying Shares. Upon expiry of the applicable Restricted Period (or on the Deferred Payment Date, as applicable), a Restricted Share Right shall be automatically settled, and without the payment of additional consideration or any other further action on the part of the holder of the Restricted Share Right, the underlying Shares shall be issued to the holder of such Restricted Share Rights, which Restricted Share Rights shall then be cancelled.

### **4.4 Deferred Payment Date**

Participants who are residents of Canada for the purposes of the *Income Tax Act* (Canada) (and for greater certainty, who are not US Taxpayers), may elect to defer to receive all or any part of the Shares underlying Restricted Share Rights until one or more Deferred Payment Dates. Any other Participants may not elect a Deferred Payment Date.

### **4.5 Prior Notice of Deferred Payment Date**

Participants who elect to set a Deferred Payment Date must, in respect of each such Deferred Payment Date, give the Company written notice of the Deferred Payment Date(s) not later than thirty (30) days prior to the expiration of the applicable Restricted Period. For certainty,

Participants shall not be permitted to give any such notice after the day which is thirty (30) days prior to the expiration of the Restricted Period and a notice once given may not be changed or revoked. For the avoidance of doubt, the foregoing shall not prevent a Participant from electing an additional Deferred Payment Date, provided, however that notice of such election is given by the Participant to the Company not later than thirty (30) days prior to the expiration of the subject Restricted Period.

#### **4.6 Retirement or Termination during Restricted Period**

In the event and to the extent of the Retirement or Termination and/or, as applicable, the Director Retirement or Director Termination of a Participant from all such roles with the Company during the Restricted Period, any Restricted Share Rights held by the Participant shall immediately terminate and be of no further force or effect; provided, however, that the Board shall have the absolute discretion to modify the grant of the Restricted Share Rights to provide that the Restricted Period shall terminate immediately prior to the date of such occurrence.

#### **4.7 Retirement or Termination after Restricted Period**

In the event and to the extent of the Retirement or Termination and/or, as applicable, the Director Retirement or Director Termination of the Participant from all such roles with the Company following the Restricted Period and prior to a Deferred Payment Date, the Participant shall be entitled to receive, and the Company shall issue forthwith, Shares in satisfaction of the Restricted Share Rights then held by the Participant.

#### **4.8 Death or Disability of Participant**

In the event of the death or total disability of a Participant, any Shares represented by Restricted Share Rights held by the Participant shall be immediately issued by the Company to the Participant or legal representative of the Participant.

#### **4.9 Payment of Dividends**

Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Shares, a Participant may be credited with additional Restricted Share Rights. The number of such additional Restricted Share Rights, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Participant if the Restricted Share Rights (including Restricted Share Rights in which the Restricted Period has expired but the Shares have not been issued due to a Deferred Payment Date) in the Participant's account on the dividend record date had been outstanding Shares (and the Participant held no other Shares) by (b) the Fair Market Value of the Shares on the date on which such dividends were paid.

#### **4.10 Change of Control**

In the event of a Change of Control, all Restricted Share Rights outstanding shall vest immediately and be settled by the issuance of Shares notwithstanding the Restricted Period and any Deferred Payment Date.

## **PART 5 DEFERRED SHARE UNITS**

### **5.1 Deferred Share Unit Grants**

The Board may from time to time determine to grant Deferred Share Units to one or more Eligible Directors in a lump sum amount or on regular intervals, based on such formulas or criteria as the Board may from time to time determine. Deferred Share Units will be credited to the Eligible Director's account when designated by the Board. For purposes of calculating the number of Deferred Share Units to be granted, the Company shall be obligated to value the Shares underlying such Deferred Share Units at not less than one hundred per cent (100%) of the Fair Market Value.

### **5.2 Deferred Share Unit Grant Letter**

Each grant of a Deferred Share Unit under this Plan shall be evidenced by a grant letter (a "**Deferred Share Unit Grant Letter**") issued to the Eligible Director by the Company. Such Deferred Share Unit Grant Letter shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Deferred Share Unit Grant Letter. The provisions of Deferred Share Unit Grant Letters issued under this Plan need not be identical.

### **5.3 Redemption of Deferred Share Units and Issuance of Deferred Shares**

The Deferred Share Units held by each Eligible Director who is not a US Taxpayer shall be redeemed automatically and with no further action by the Eligible Director on the 20<sup>th</sup> business day following the Separation Date for that Eligible Director. For US Taxpayers, Deferred Share Units held by an Eligible Director who is a Specified Employee will be automatically redeemed with no further action by the Eligible Director on the date that is six months following the Separation Date for the Eligible Director, or if earlier, upon such Eligible Director's death. Upon redemption, the former Eligible Director shall be entitled to receive and the Company shall issue, the number of Shares issued from treasury equal to the number of Deferred Share Units in the Eligible Director's account, subject to any applicable deductions and withholdings. In the event a Separation Date occurs during a year and Deferred Share Units have been granted to such Eligible Director for that entire year, the Eligible Director will only be entitled to a pro-rated Deferred Share Unit Payment in respect of such Deferred Share Units based on the number of days that he or she was an Eligible Director in such year.

No amount will be paid to, or in respect of, an Eligible Director under this Plan or pursuant to any other arrangement, and no other additional Deferred Share Units will be granted to compensate for a downward fluctuation in the value of the Shares of the Company nor will any other benefit be conferred upon, or in respect of, an Eligible Director for such purpose.



#### **5.4 Death of Participant**

In the event of the death of an Eligible Director, the Deferred Share Units shall be redeemed automatically and with no further action on the 20<sup>th</sup> business day following the death of an Eligible Director.

#### **5.5 Payment of Dividends**

Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Shares, an Eligible Director may be credited with additional Deferred Share Units. The number of such additional Deferred Share Units, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Eligible Director if the Deferred Share Units in the Eligible Director's account on the dividend record date had been outstanding Shares (and the Eligible Director held no other Shares), by (b) the Fair Market Value of the Shares on the date on which such dividends were paid.

### **PART 6 WITHHOLDING TAXES**

#### **6.1 Withholding Taxes**

The Company or any Designated Affiliate may take such steps as are considered necessary or appropriate for the withholding of any taxes or other amounts which the Company or any Designated Affiliate is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Award including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of any Shares to be issued under this Plan, until such time as the Participant has paid the Company or any Designated Affiliate for any amount which the Company or Designated Affiliate is required to withhold by law with respect to such taxes or other amounts. Without limitation to the foregoing, the Board may adopt administrative rules under this Plan, which provide for the automatic sale of Shares (or a portion thereof) in the market upon the issuance of such Shares under this Plan on behalf of the Participant to satisfy withholding obligations under an Award.

### **PART 7 GENERAL**

#### **7.1 Number of Shares**

The aggregate number of Shares that may be issued under this Plan shall not exceed 20% of the outstanding issue from time to time, such Shares to be allocated among Awards and Participants in amounts and at such times as may be determined by the Board from time to time.

For the purposes of this Section 7.1, "outstanding issue" means the total number of Shares, on a non-diluted basis, that are issued and outstanding immediately prior to the date that any Shares are issued or reserved for issuance pursuant to an Award.

#### **7.2 Lapsed Awards**

If Awards are surrendered, terminated or expire without being exercised in whole or in part, new Awards may be granted covering the Shares not issued under such lapsed Awards, subject to any restrictions that may be imposed by the Exchange, including, without limitation, the

restriction that if an Option is cancelled prior to its expiry date, the Company shall post notice of the cancellation and shall not grant new Options to the same Participant until 30 days have elapsed from the date of cancellation.

### **7.3 Adjustment in Shares Subject to this Plan**

If there is any change in the Shares through the declaration of stock dividends of Shares, through any consolidations, subdivisions or reclassification of Shares, or otherwise, the number of Shares available under this Plan, the Shares subject to any Award, and the exercise price of any Option shall be adjusted as determined to be appropriate by the Board, and such adjustment shall be effective and binding for all purposes of this Plan.

### **7.4 Transferability**

Any Awards accruing to any Participant in accordance with the terms and conditions of this Plan shall not be transferable unless specifically provided herein. During the lifetime of a Participant all Awards may only be exercised by the Participant. Awards are non-transferable except by will or by the laws of descent and distribution.

### **7.5 Employment**

Nothing contained in this Plan shall confer upon any Participant any right with respect to employment or continuance of employment with the Company or any Affiliate, or interfere in any way with the right of the Company or any Affiliate to terminate the Participant's employment at any time. Participation in this Plan by a Participant is voluntary.

### **7.6 Record Keeping**

The Company shall maintain a register in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Awards granted to each Participant and relevant details regarding such Awards; and
- (c) such other information as the Board may determine.

### **7.7 Amendments to Plan**

The Board shall have the power to, at any time and from time to time, either prospectively or retrospectively, amend, suspend or terminate this Plan or any Award granted under this Plan without shareholder approval, including, without limiting the generality of the foregoing: changes of a clerical or grammatical nature, changes regarding the persons eligible to participate in this Plan, changes to the exercise price, vesting, term and termination provisions of the Award, changes to the cashless exercise right provisions, changes to the authority and role of the Board under this Plan, and any other matter relating to this Plan and the Awards that may be granted hereunder, provided however that:

- (a) such amendment, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Shares are listed;
- (b) no amendment to this Plan or to an Award granted hereunder will have the effect of impairing, derogating from or otherwise adversely affecting the terms of an

Award which is outstanding at the time of such amendment without the written consent of the holder of such Award;

- (c) the terms of an Option will not be amended once issued; and
- (d) the expiry date of an Option Period in respect of an Option shall not be more than ten years from the date of grant of an Option except as expressly provided in Section 3.4.

If this Plan is terminated, the provisions of this Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Award or any rights pursuant thereto remain outstanding and, notwithstanding the termination of this Plan, the Board shall remain able to make such amendments to this Plan or the Award as they would have been entitled to make if this Plan were still in effect.

### **7.8 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of this Plan.

### **7.9 Section 409A**

It is intended that any payments under this Plan to US Taxpayers shall be exempt from or comply with Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Section 409A of the Code.

### **7.10 Compliance with Applicable Law, etc.**

If any provision of this Plan or any agreement entered into pursuant to this Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or this Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

### **7.11 Term of the Plan**

This Plan shall remain in effect until it is terminated by the Board.

## **PART 8 ADMINISTRATION OF THIS PLAN**

### **8.1 Administration by the Board**

- (a) Unless otherwise determined by the Board, this Plan shall be administered by the Board or a Board committee designated by the Board.
- (b) The Board (or Board committee, as the case may be) shall have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan, to:
  - (i) adopt and amend rules and regulations relating to the administration of this Plan and make all other determinations necessary or desirable for the

administration of this Plan. The interpretation and construction of the provisions of this Plan and related agreements by the Board (or Board committee, as the case may be) shall be final and conclusive. The Board (or Board committee, as the case may be) may correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any related agreement in the manner and to the extent it shall deem expedient to carry this Plan into effect and it shall be the sole and final judge of such expediency;

- (ii) determine and designate from time to time the individuals to whom Awards shall be made, the amounts of the Awards and the other terms and conditions of the Awards;
- (iii) delegate any of its responsibilities or powers under this Plan to a Board committee; and
- (iv) otherwise exercise the powers under this Plan as set forth herein.

**APPENDIX “D”**

**VORTEX ENERGY CORP. - AUDIT COMMITTEE CHARTER**

**(ATTACHED)**

# AUDIT COMMITTEE CHARTER

*(Approved by the Board of Directors on August 22, 2022)*

Vortex Energy Corp.

## AUDIT COMMITTEE CHARTER

### 1. PURPOSE

The main purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Vortex Energy Corp. (“**Vortex**” or the “**Company**”) is to assist the Board in fulfilling its statutory responsibilities in relation to internal control and financial reporting, and to carry out certain oversight functions on behalf of the Board, including the oversight of:

- (a) the integrity of the Company’s financial statements and other financial information provided by the Company to securities regulators, governmental bodies and the public to ensure that the Company’s financial disclosures are complete, accurate, in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and interpretations by the International Financial Reporting Interpretations Committee (“**IFRIC**”), and fairly present the financial position and risks of the Company;
- (b) assessing the independence, qualifications and performance of the Company’s independent auditor (the “**Auditor**”), appointing and replacing the Auditor, overseeing the audit and non-audit services provided by the Auditor, and approving the compensation of the Auditor;
- (c) Senior Management (as defined below) responsibility for assessing and reporting on the effectiveness of internal controls;
- (d) financial matters and management of financial risks;
- (e) the prevention and detection of fraudulent activities; and
- (f) investigation of complaints and submissions regarding accounting or auditing matters and unethical or illegal behavior.

The Committee provides an avenue for communication between the Auditor, the Company’s executive officers and other senior managers (“**Senior Management**”) and the Board, and has the authority to communicate directly with the Auditor. The Committee shall have a clear understanding with the Auditor that they must maintain an open and transparent relationship with the Committee. The Auditor is ultimately accountable to the Committee and the Board, as representatives of the Company’s shareholders.

### 2. COMPOSITION

The Committee shall be comprised of three directors. Each Committee member shall:

- (a) satisfy the laws governing the Company;
- (b) be “independent” in accordance with Sections 1.4 and 1.5 of National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), which sections are reproduced in Appendix “A” of this charter; and

- (c) be “financially literate” in accordance with the definition set out in Section 1.6 of NI 52-110, which definition is reproduced in Appendix “A” of this charter.

For purposes of subparagraph (b) above, the position of non-executive Chair of the Board is considered to be an executive officer of the Company.

Committee members and the chair of the Committee (the “**Committee Chair**”) shall be appointed annually by the Board at the first Board meeting that is held after every annual general meeting of the Company’s shareholders. The Board may remove a Committee member at any time in its sole discretion by a resolution of the Board.

If a Committee member simultaneously serves on the audit committees of more than three public companies, the Committee shall seek the Board’s determination as to whether such simultaneous service would impair the ability of such member to effectively serve on the Committee and ensure that such determination is disclosed.

### **3. MEETINGS**

The Committee shall meet at least once per financial quarter and as many additional times as the Committee deems necessary to carry out its duties effectively.

The Committee shall meet:

- (a) within 60 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related management’s discussion and analysis (“**MD&A**”); and
- (b) within 120 days following the end of the Company’s fiscal year end to review and discuss the audited financial results for the year and related MD&A.

As part of its job to foster open communication, the Committee shall meet at least once each financial quarter with Senior Management and the Auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately.

A majority of the members of the Committee shall constitute a quorum for any Committee meeting. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by unanimous written consent of the Committee members.

The Committee Chair shall preside at each Committee meeting. In the event the Committee Chair is unable to attend or chair a Committee meeting, the Committee will appoint a chair for that meeting from the other Committee members.

The Corporate Secretary of the Company, or such individual as appointed by the Committee, shall act as secretary for a Committee meeting (the “**Committee Secretary**”) and, upon receiving a request to convene a Committee meeting from any Committee member, shall arrange for such meeting to be held.

The Committee Chair, in consultation with the other Committee members, shall set the agenda of items to be addressed at each Committee meeting. The Committee Secretary shall ensure that the agenda and any supporting materials for each upcoming Committee meeting are circulated to each Committee member in advance of such meeting.



The Committee may invite such officers, directors and employees of the Company, the Auditor, and other advisors as it may see fit from time to time to attend at one or more Committee meetings and assist in the discussion and consideration of any matter. For purposes of performing their duties, members of the Committee shall, upon request, have immediate and full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the duties and responsibilities of the Committee with officers, directors and employees of the Company, with the Auditor, and with other advisors subject to appropriate confidentiality agreements being in place.

Unless otherwise provided herein or as directed by the Board, proceedings of the Committee shall be conducted in accordance with the rules applicable to meetings of the Board.

#### **4. DUTIES AND RESPONSIBILITIES**

Subject to the powers and duties of the Board and the Articles of the Company, in order to carry out its oversight responsibilities, the Committee shall:

##### **4.1 Financial Reporting Process**

- (a) Review with Senior Management and the Auditor any items of concern, any proposed changes in the selection or application of accounting principles and policies and the reasons for the change, any identified risks and uncertainties, and any issues requiring the judgement of Senior Management, to the extent that the foregoing may be material to financial reporting.
- (b) Consider any matter required to be communicated to the Committee by the Auditor under generally accepted auditing standards, applicable law and listing standards, if applicable, including the Auditor's report to the Committee (and the response of Senior Management thereto) on:
  - (i) accounting policies and practices used by the Company;
  - (ii) alternative accounting treatments of financial information that have been discussed with Senior Management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the Auditor; and
  - (iii) any other material written communications between the Auditor and Senior Management.
- (c) Discuss with the Auditor their views about the quality, not just the acceptability, of accounting principles and policies used by the Company, including estimates and judgements made by Senior Management and their selection of accounting principles.
- (d) Discuss with Senior Management and the Auditor:
  - (i) any accounting adjustments that were noted or proposed (immaterial or otherwise) by the Auditor but were not reflected in the financial statements;

- (ii) any material correcting adjustments that were identified by the Auditor in accordance with generally accepted accounting principles (“GAAP”) or applicable law;
  - (iii) any communication reflecting a difference of opinion between the audit team and the Auditor’s national office on material auditing or accounting issues raised by the engagement; and
  - (iv) any “management” or “internal control” letter issued, or proposed to be issued, by the Auditor to the Company.
- (e) Discuss with Senior Management and the Auditor any significant financial reporting issues considered during the fiscal period and the method of resolution, and resolve disagreements between Senior Management and the Auditor regarding financial reporting.
- (f) Review with Senior Management and the Auditor:
  - (i) any off-balance sheet financing mechanisms being used by the Company and their effect on the Company’s financial statements; and
  - (ii) the effect of regulatory and accounting initiatives on the Company’s financial statements, including the potential impact of proposed initiatives.
- (g) Review with Senior Management and the Auditor and legal counsel, if necessary, any litigation, claim or other contingency, including tax assessments, that could have a material effect on the financial position or operating results of the Company, and the manner in which these matters have been disclosed or reflected in the financial statements.
- (h) Review with the Auditor any audit problems or difficulties experienced by the Auditor in performing the audit, including any restrictions or limitations imposed by Senior Management, and the response of Senior Management, and resolve any disagreements between Senior Management and the Auditor regarding these matters.
- (i) Review the results of the Auditor’s work, including findings and recommendations, Senior Management’s response, and any resulting changes in accounting practices or policies and the impact such changes may have on the financial statements.
- (j) Review and discuss with Senior Management the audited annual financial statements and related MD&A and make recommendations to the Board with respect to approval thereof before their release to the public.
- (k) Review and discuss with Senior Management and the Auditor all interim unaudited financial statements and related interim MD&A.
- (l) Approve interim unaudited financial statements and related interim MD&A prior to their filing and dissemination.
- (m) In connection with Sections 4.1 and 5.1 of National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* (“NI 52-109”), obtain confirmation from the

Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) (and considering the Auditor’s comments, if any, thereon) to their knowledge:

- (i) that the audited financial statements, together with any financial information included in the annual MD&A and annual information form, fairly present in all material respects the Company’s financial condition, financial performance and cash flows; and
  - (ii) that the interim financial statements, together with any financial information included in the interim MD&A, fairly present in all material respects the Company’s financial condition, financial performance and cash flows.
- (n) Review news releases to be issued in connection with the audited annual financial statements and related MD&A and the interim unaudited financial statements and related interim MD&A, before being disseminated to the public, if the Company is required to do so under applicable securities laws, paying particular attention to any use of “pro-forma” or “adjusted” non-GAAP, information.
  - (o) Review any news release containing earnings guidance or financial information based upon the Company’s financial statements prior to the release of such statements, if the Company is required to disseminate such news releases under applicable securities laws.
  - (p) Review the appointment of the CFO and have the CFO report to the Committee on the qualifications of new key financial personnel involved in the financial reporting process.

#### **4.2 Internal Controls**

- (a) Consider and review with Senior Management and the Auditor the adequacy and effectiveness of internal controls over accounting and financial reporting within the Company and any proposed significant changes in them.
- (b) Consider and discuss any Auditor’s comments on the Company’s internal controls, together with Senior Management responses thereto.
- (c) Discuss, as appropriate, with Senior Management and the Auditor any major issues as to the adequacy of the Company’s internal controls and any special audit steps in light of material internal control deficiencies.
- (d) Review annually the disclosure controls and procedures.
- (e) Receive confirmation from the CEO and the CFO of the effectiveness of disclosure controls and procedures, and whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information or any fraud, whether or not material, that involves Senior Management or other employees who have a significant role in the Company’s internal control over financial reporting. In addition, receive confirmation from the CEO and the CFO that they are prepared to sign the annual and quarterly certificates required by Sections 4.1 and 5.1 of NI 52-109, as amended from time to time.

### 4.3 The Auditor

#### *Qualifications and Selection*

- (a) Subject to the requirements of applicable law, be solely responsible to select, retain, compensate, oversee, evaluate and, where appropriate, replace the Auditor. The Committee shall be entitled to adequate funding from the Company for the purpose of compensating the Auditor for authorized services.
- (b) Instruct the Auditor that:
  - (i) they are ultimately accountable to the Board and the Committee, as representatives of shareholders; and
  - (ii) they must report directly to the Committee.
- (c) Ensure that the Auditor have direct and open communication with the Committee and that the Auditor meet with the Committee once each financial quarter without the presence of Senior Management to discuss any matters that the Committee or the Auditor believe should be discussed privately.
- (d) Evaluate the Auditor's qualifications, performance, and independence. As part of that evaluation:
  - (i) at least annually, request and review a formal report by the Auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
  - (ii) annually review and confirm with Senior Management and the Auditor the independence of the Auditor, including all relationships between the Auditor and the Company, including the amount of fees received by the Auditors for the audit services, the extent of non-audit services and fees therefor, the extent to which the compensation of the audit partners of the Auditor is based upon selling non-audit services, the timing and process for implementing the rotation of the lead audit partner, reviewing partner and other partners providing audit services for the Company, and whether there should be a regular rotation of the audit firm itself; and
  - (iii) annually review and evaluate senior members of the audit team of the Auditor, including their expertise and qualifications. In making this evaluation, the Committee should consider the opinions of Senior Management.

Conclusions on the independence of the Auditor should be reported by the Committee to the Board.

- (e) Approve and review, and verify compliance with, the Company's policies for hiring of employees and former employees of the Auditor and former auditors. Such policies shall include, at minimum, a one-year hiring "cooling off" period.

#### *Other Matters*

- (a) Meet with the Auditor to review and approve the annual audit plan of the Company's financial statements prior to the annual audit being undertaken by the Auditor, including reviewing the year-to-year co-ordination of the audit plan and the planning, staffing and extent of the scope of the annual audit. This review should include an explanation from the Auditor of the factors considered by the Auditor in determining their audit scope, including major risk factors. The Auditor shall report to the Committee all significant changes to the approved audit plan.
- (b) Review and pre-approve all audit and non-audit services and engagement fees and terms in accordance with applicable law, including those provided to the Company's subsidiaries by the Auditor or any other person in its capacity as independent auditor of such subsidiary. Between scheduled Committee meetings, the Committee Chair, on behalf of the Committee, is authorized to pre-approve any audit or non-audit services and engagement fees and terms up to \$50,000. At the next Committee meeting, the Committee Chair shall report to the Committee any such pre-approval given.
- (c) Establish and adopt procedures for such matters.

#### **4.4 Compliance**

- (a) Monitor compliance by the Company with all payments and remittances required to be made in accordance with applicable law, where the failure to make such payments could render the Company's directors personally liable.
- (b) Receive regular updates from Senior Management regarding compliance with laws and regulations and the process in place to monitor such compliance, excluding, however, legal compliance matters subject to the oversight of the Corporate Governance and Nominating Committee of the Board, if any. Review the findings of any examination by regulatory authorities and any observations by the Auditor relating to such matters.
- (c) Establish and oversee the procedures in the Company's Whistleblower Policy to address:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting or auditing matters or unethical or illegal behaviour; and
  - (ii) confidential, anonymous submissions by employees of concerns regarding questionable accounting and auditing matters or unethical or illegal behaviour.
- (d) Ensure that political and charitable donations conform with policies and budgets approved by the Board.

- (e) Monitor management of hedging, debt and credit, make recommendations to the Board respecting policies for management of such risks, and review the Company's compliance therewith.
- (f) Approve the review and approval process for the expenses submitted for reimbursement by the CEO.
- (g) Oversee Senior Management's mitigation of material risks within the Committee's mandate and as otherwise assigned to it by the Board.

#### **4.5 Financial Oversight**

- (a) Assist the Board in its consideration and ongoing oversight of matters pertaining to:
  - (i) capital structure and funding including finance and cash flow planning;
  - (ii) capital management planning and initiatives;
  - (iii) property and corporate acquisitions and divestitures including proposals which may have a material impact on the Company's capital position;
  - (iv) the Company's annual budget;
  - (v) the Company's insurance program;
  - (vi) directors' and officers' liability insurance and indemnity agreements; and
  - (vii) matters the Board may refer to the Committee from time to time in connection with the Company's capital position.

#### **4.6 Other**

- (a) Perform such other duties as may be assigned to the Committee by the Board.
- (b) Annually review and assess the adequacy of its charter and recommend any proposed changes to the Corporate Governance and Nominating Committee.
- (c) Review its own performance annually, and provide the results of such evaluation to the Board for its review.

### **5. AUTHORITY**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to:

- a. select, retain, terminate, set and approve the fees and other retention terms of special or independent counsel, accountants or other experts, as it deems appropriate; and
- b. obtain appropriate funding to pay, or approve the payment of, such approved fees, without seeking approval of the Board or Senior Management.

## **6. ACCOUNTABILITY**

The Committee Chair shall make periodic reports to the Board, as requested by the Board, on matters that are within the Committee's area of responsibility.

The Committee shall maintain minutes of its meetings with the Company's Corporate Secretary and shall provide an oral report to the Board at the next Board meeting that is held after a Committee meeting.

## Appendix "A"

### Definitions from National Instrument 52-110 Audit Committees

#### **Section 1.4**    *Meaning of Independence*

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
  - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
  - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
  - (c) an individual who:
    - (i) is a partner of a firm that is the issuer's internal or external auditor,
    - (ii) is an employee of that firm, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
    - (i) is a partner of a firm that is the issuer's internal or external auditor,
    - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and
  - (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.



- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because
  - (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
  - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.
- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
  - (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
  - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
  - (a) has previously acted as an interim chief executive officer of the issuer, or
  - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- (8) For the purpose of Section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

**Section 1.5 Additional Independence Requirements**

- (1) Despite any determination made under Section 1.4, an individual who
  - (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
  - (b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.
- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
  - (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

- (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

**Section 1.6      *Meaning of Financial Literacy***

For the purposes of this Instrument, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

**CERTIFICATE OF THE CORPORATION**

Dated: August 22, 2022

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

*/s/ "Kirk Hollohan"*

*/s/ "Paul More"*

---

**Kirk Hollohan**  
**Chief Executive Officer and Director**

---

**Paul More**  
**Chief Financial Officer**

**ON BEHALF OF THE BOARD OF DIRECTORS**

*/s/ "Aman Parmar"*

*/s/ "Eli Dusenbury"*

---

**Aman Parmar**  
**Director**

---

**Eli Dusenbury**  
**Director**

## CERTIFICATE OF THE PROMOTER

Dated: August 22, 2022

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

*/s/ "Aman Parmar"*

---

**Aman Parmar**