

SORRENTO RESOURCES LTD.

FORM 2A – LISTING STATEMENT

February 21, 2023

Note to Reader:

This Listing Statement contains the Prospectus of Sorrento Resources Ltd. dated December 22, 2022 (the “**Prospectus**”). Certain sections of the Canadian Securities Exchange form of Listing Statement have been included following the Prospectus to provide additional disclosure, as required by the Canadian Securities Exchange.

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FORM 2A – LISTING STATEMENT

Concordance Table

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No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons authorized to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the “**U.S. Securities Act**”) and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state laws or an exemption from such registration is available. See “Plan of Distribution” below.

PROSPECTUS

INITIAL PUBLIC OFFERING

December 22, 2022

Sorrento Resources Ltd.

(the “**Issuer**” or the “**Company**”)

OFFERING

Type of Securities	Number of Securities (Minimum/Maximum)	Price per Security (\$)
Offered Shares	4,285,714/7,142,857	0.175

This prospectus (the “**Prospectus**”) qualifies the distribution (the “**Offering**”) in the provinces of British Columbia, Alberta and Ontario, through Leede Jones Gable Inc. (the “**Agent**”), of a minimum of 4,285,714 common shares without par value (the “**Offered Shares**” or the “**Common Shares**”) for aggregate gross proceeds of \$750,000 (the “**Minimum Offering**”), and a maximum of 7,142,857 Offered Shares for aggregate gross proceeds of \$1,250,000 (the “**Maximum Offering**”) at a price of \$0.175 per Offered Share (the “**Offering Price**”). See “*Description of Securities Distributed*” below. The Offering Price was determined by negotiation between the Issuer and the Agent.

The Offered Shares are being offered pursuant to an agency agreement (the “**Agency Agreement**”) dated December 22, 2022, between the Issuer and the Agent.

	Offered Shares	Price to Public (\$)	Agent Discounts or Commission ⁽¹⁾ (\$)	Proceeds to Issuer ⁽²⁾⁽³⁾ (\$)
Per Offered Share	1	0.175	0.01575	0.15925
Minimum Offering ⁽⁴⁾⁽⁵⁾	4,285,714	750,000	67,500	682,500
Maximum Offering ⁽⁴⁾⁽⁵⁾	7,142,857	1,250,000	112,500	1,137,500

⁽¹⁾ Pursuant to the terms and conditions of the Agency Agreement between the Issuer and the Agent, the Issuer has agreed to pay the Agent upon closing of the Offering (the “**Closing**”), a cash commission (the “**Agent’s Commission**”) equal to 9% of the gross proceeds realized from the sale of the Offered Shares under the Offering. In addition, the Agent will also receive that number of compensation options (the “**Compensation Options**”) equal to 9% of the aggregate number of Offered Shares issued in the Offering, which will entitle the Agent to purchase one common share (each a “**Compensation Share**”) at a price that is equal to the Offering Price for a period of 24 months from the Closing. The Issuer has further agreed to pay the Agent a cash corporate finance fee of \$35,000 plus GST (the “**Corporate Finance Fee**”), half of which has been paid to Agent as of the date of this Prospectus and the balance of which will be paid on Closing. This Prospectus also qualifies for distribution the Compensation Options.

⁽²⁾ Before deducting remaining expenses of the Offering, estimated at \$125,000 (excluding the Agent’s Commission and Corporate Finance Fee but including fees and expenses of the Agent (including its legal expenses) and the legal and audit expenses of the Issuer, which will be paid from the proceeds of the Offering.

⁽³⁾ The Issuer has granted to the Agent an over-allotment option (the “**Over-Allotment Option**”) exercisable, in whole

or in part in the sole discretion of the Agent, up to 30 days following the Closing, to sell additional Offered Shares equal to 15% of the Offered Shares issued pursuant to this Offering. If the Over-Allotment Option is exercised by the Agent, the Issuer will issue up to a minimum of 642,857 and a maximum of 1,071,428 additional Offered Shares (each an “**Over-Allotment Option Share**”) for a purchase price equal to the Offering Price. This table excludes any Over-Allotment Option Shares issuable upon exercise of the Over-Allotment Option. See “*Plan of Distribution*” below. A purchaser who acquires Offered Shares forming part of the Agent’s over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

- (4) The Offering will remain open until the date that is 90 days after a receipt is issued for the Prospectus, unless an amendment to the Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the Prospectus. In any event, the Offering must cease at the latest 180 days from the date of the receipt for the Prospectus.
- (5) A minimum of 4,285,714 Common Shares and a maximum of 7,142,857 Common Shares are qualified for distribution hereunder. In addition, this prospectus also qualifies the Agent’s Options and the Optionors’ Shares, as hereinafter defined. See “*Plan of Distribution*”.

ADDITIONAL DISTRIBUTION

This Prospectus also qualifies for distribution 1,000,000 Common Shares issuable to the Optionors (as defined herein) in respect of the Wing Pond Property (as defined herein) pursuant to the Property Option Agreement (as defined herein). The Common Shares will be issued to the Optionors concurrently with the completion of the Listing. See “*General Development of Business*” and “*Plan of Distribution*” below.

There is no market through which these securities may be sold, and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. The securities offered hereunder must be considered highly speculative due to the nature of the Issuer’s business. See “*Risk Factors*” below.

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

The Canadian Securities Exchange has conditionally approved the listing of the Common Shares. Listing will be subject to the Issuer fulfilling all of the requirements of the Canadian Securities Exchange.

The Agent’s position is as follows:

Agent’s Position	Number of Securities Available (Minimum/Maximum)	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price (\$)
Over-Allotment Option ⁽¹⁾	642,857/1,071,428	Within 30 days following Closing	0.175
Compensation Options ⁽²⁾⁽³⁾	385,714/642,857	Within 24 months from the Closing	0.175
Total Securities Issuable to Agent	1,028,571/1,714,285 (all of which are available under option)		

⁽¹⁾ These securities are qualified for distribution by this Prospectus. See “*Plan of Distribution*” below.

⁽²⁾ These securities are qualified compensation securities (“**Qualified Compensation Securities**”) within the meaning of National Instrument 41-101 – General Prospectus Requirements (“**NI 41-101**”) and are qualified for distribution by this Prospectus. See “*Plan of Distribution*” below.

⁽³⁾ Assuming the Over-Allotment Option is not exercised. If the Over-Allotment Option is exercised, the Agent will receive a of minimum of 443,571 Compensation Options and a maximum of 739,285 Compensation Options.

The Agent, as exclusive agent of the Issuer for the purposes of this Offering, offers the Offered Shares for sale under this Prospectus at the Offering Price on a commercially reasonable efforts basis, in accordance with the Agency Agreement referred to under "*Plan of Distribution*" below and subject to the approval of certain legal matters on behalf of the Issuer by Harper Grey LLP and on behalf of the Agent by DS Lawyers Canada LLP. No person is Authorized to provide any information or to make any representation in connection with this Offering other than as contained in this Prospectus.

Subscriptions will be received subject to rejection or allotment in whole or in part by the Issuer and the right is reserved to close the subscription books at any time without notice. The Offered Shares will be issued as non-certificated book-entry securities through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. Consequently, purchasers of Offered Shares will receive a customer confirmation from the registered dealer that is a CDS participant from or through which the Offered Shares were purchased and no certificate evidencing the Offered Shares will be issued. Registration will be made through the depository services of CDS.

AGENT

LEEDE JONES GABLE INC.
1140 West Pender Street, Suite 1800
Vancouver, British Columbia
V6E 4G1

Telephone: (604) 658-3000
Facsimile: (604) 658-3099

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements and forward-looking information within the meaning of applicable securities laws (collectively referred to herein as “**forward-looking information**”). This forward-looking information includes, or may be based upon, estimates, forecasts, and statements as to management’s expectations with respect to, among other things, the completion of the Offering, the use of proceeds of the Offering, the exploration potential of the Property comprising the Wing Pond Property, the actual cost of the recommended exploration program in respect of the Property, the actual cost of the Issuer’s general and administrative expenses, the ability of the Issuer to raise additional funding if necessary, the timeframe for completion of the phase I exploration on the Property, and the exercise of convertible securities of the Issuer. Wherever possible, words such as “anticipate”, “believe”, “expect”, “intend” and similar expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and is based on information available to management at such time. Forward-looking information involves significant risk, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These other factors, which should be considered carefully, include but are not limited to, those factors discussed herein under “Risk Factors”, including the inherent risks involved in the exploration of mineral properties, the uncertainties involved in interpreting drill results and other geological data, fluctuating mineral resource prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. Assumptions used to develop the forward-looking information contained in this Prospectus include, among other things, the level of exploration potential of the Property, the accuracy of the estimated cost of the recommended exploration programs in respect of the Property, the accuracy of the estimated cost of the Issuer’s general and administrative expenses, the ability of the Issuer to raise additional funding if necessary, and the accuracy of the estimated time frame for completion of the phase I exploration programs on the Property. Prospective investors should not place undue reliance on any forward-looking information. Although the forward-looking information contained in this Prospectus is based upon what management believes, or believed at the time, to be reasonable assumptions, the Issuer cannot assure prospective purchasers that actual results will be consistent with such forward-looking information as there may be other factors that cause results not to be as anticipated, estimated or intended and neither the Issuer nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Issuer does not undertake to and assumes no obligation to update or revise any such forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

ELIGIBILITY FOR INVESTMENT

In the opinion of the Issuer’s counsel, Harper Grey LLP, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (the “**Tax Act**”), and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided the Common Shares are listed on a “designated stock exchange” (as such term is defined in the Tax Act and which currently includes the Exchange) or the Issuer is otherwise a “public corporation” (as such term is defined in the Tax Act) at the particular time, the Common Shares will at that time be a “qualified investment” under the Tax Act for a trust governed by a registered retirement savings plan (a “**RRSP**”), a registered retirement income fund (a “**RRIF**”), a deferred profit sharing plan, a registered disability savings plan (a “**RDSP**”), a registered education savings plan (a “**RESP**”), and a tax-free savings account (a “**TFSA**”).

The Common Shares are not currently listed on a “designated stock exchange” and the Issuer is not otherwise a “public corporation” (as such term is defined in the Tax Act). The Issuer has applied to list the Common Shares on the Exchange. Listing will be subject to the Issuer fulfilling all of the requirements of the Exchange. The Issuer will rely upon the Exchange to list the Common Shares on the Exchange as of the day before Closing (the “**Listing**”) and otherwise proceed in the manner described above to render the Offered Shares issued on the Closing to be listed on a designated stock exchange within the meaning of the Tax Act at the time of issuance. If the Exchange does not proceed as anticipated, the Common Shares will not be a “qualified investment” as per the Tax Act at the time of Closing. It is counsel’s understanding that the Listing of the Common Shares on the Exchange is a condition of Closing.

Notwithstanding that the Common Shares may be a qualified investment for a TFSA, RRSP, RRIF, RDSP or RESP, the holder of the TFSA or the RDSP, the subscriber of the RESP or annuitant of the RRSP or RRIF (as the case may be) will be subject to a penalty tax as set out in the Tax Act if the Common Shares are a “prohibited investment” for the purposes of the Tax Act. The Common Shares will be a “prohibited investment” if the holder of the TFSA or the RDSP, the subscriber of the RESP or annuitant of the RRSP or RRIF (as the case may be): (i) does not deal at arm’s length with the Issuer for purposes of the Tax Act; or (ii) has a “significant interest” (within the meaning of the Tax Act) in the Issuer. In addition, the Common Shares will not be a “prohibited investment”, if the Common Shares are “excluded property”, as defined in the Tax Act, for a TFSA, RRSP, RRIF, RDSP or RESP. **Prospective holders that intend to hold Common Shares in a TFSA, RRSP, RRIF, RDSP or RESP are urged to consult their own tax advisers.**

METRIC EQUIVALENTS

For ease of reference, the following factors for converting Imperial measurements into metric equivalents are provided:

To Convert from Imperial	To Metric	Multiply by
Acres	Hectares	0.404686
Feet	Metres	0.30480
Miles	Kilometres	1.609344
Tons	Tonnes	0.907185
Ounces (troy)/ton	Grams/Tonne	34.2857

GLOSSARY

“**Agency Agreement**” means the Agency Agreement dated December 22, 2022 between the Agent and the Issuer.

“**Agent**” means Leede Jones Gable Inc.

“**Agent’s Commission**” means the cash commission paid to the Agent equal to 9% of the gross proceeds in relation to this Offering.

“**Agent’s Shares**” has the meaning ascribed to it on the face page of this Prospectus.

“**Author**” means Luke van der Meer., B.Sc., P. Geo., the author of the Technical Report.

“**Board of Directors**” or “**Board**” means the Issuer’s board of directors.

“**Closing Day**” means such day for Closing as determined by the Agent and as agreed to by the Issuer, subject to the limitations outlined under the “*Use of Proceeds*” heading.

“**Closing**” means the closing of the Offering and the issuance by the Issuer of the Offered Shares, including the Common Shares to be issued to the Optionors pursuant to the Property Option Agreement.

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

“**Compensation Options**” means the options granted to the Agent as compensation for its services in relation to this Offering entitling the Agent to purchase one Common Share per option for a period of 24 months after the Closing Day.

“**Corporate Finance Fee**” means the fee to be paid by the Issuer to the Agent in consideration of corporate finance and structuring services provided by the Agent in the amount of \$35,000 plus GST, half of which has been paid to the Agent, with the remaining half to be paid on the Closing Day.

“**Escrow Agent**” means TSX Trust Company.

“**Escrow Agreement**” means the escrow agreement to be signed among the Issuer, the Escrow Agent and certain holders of Common Shares and Warrants of the Issuer pursuant to which such Common Shares and Warrants will be held in escrow by the Escrow Agent

“**Escrowed Securities**” means the Shares and Warrants subject to the Escrow Agreement.

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

“**Issuer**” or the “**Company**” means Sorrento Resources Ltd.

“**Listing Date**” means the date the Common Shares commence trading on the Exchange.

“**Offered Shares**” means the Common Shares offered under this Offering.

“**Offering**” has the meaning ascribed to it on the face page of this Prospectus.

“**Offering Price**” means \$0.175 per Offered Share.

“**Optionors**” collectively means Canal Front Investments Inc., Aubrey Budgell, Gary Lewis, Len Lewis, Nigel Lewis, and Mark Stockley.

“**Over-Allotment Option Shares**” means the Common Shares to be issued upon exercise of the Over-Allotment Option.

“Over-Allotment Option” means the Agent’s option to solicit up to a minimum of 642,857 and a maximum of 1,071,428 additional Offered Shares to raise additional gross proceeds of up to a minimum of \$112,500 and a maximum of \$187,500 exercisable up to 30 days following the Closing Day.

“Property Option Agreement” means the Mineral Property Option Agreement dated November 9, 2021, as amended October 28, 2022, made between the Issuer and the Optionors, with respect to the Wing Pond Property.

“Stock Option Plan” means a stock option plan approved by the Board of Directors of the Issuer on July 21, 2022, providing for the granting of incentive stock options to the Issuer’s directors, officers, employees and consultants.

“Subscriber” means a subscriber for the Offered Shares offered under this Offering.

“Technical Report” means the technical report dated August 1, 2022, and released on November 7, 2022, entitled “National Instrument 43-101 Technical Report on the Wing Pond Property Gander, Newfoundland, Canada” authored by Luke van der Meer., B.Sc., P. Geo.

“Warrants” means the 2,650,000 issued and outstanding Common Share purchase warrants of the Issuer each warrant entitling the holder to purchase one (1) Common Share of the Issuer at a price of \$0.05 per Common Shares. Of which 1,000,000 warrants are exercisable until November 19, 2024, 300,000 warrants are exercisable until December 3, 2024, and 1,350,000 warrants are exercisable until December 14, 2024.

“Wing Pond Property” or the **“Property”** means the seven (7) Newfoundland and Labrador mineral licenses comprised of 462 Newfoundland and Labrador mineral claims and covers an area of approximately 11,550 hectares, located roughly 40 km east-northeast of Gander, Newfoundland, Canada, in the Central Newfoundland, and which is the subject matter of the Technical Report.

GLOSSARY OF TECHNICAL TERMS

In this Prospectus and the Technical Report, the following abbreviations have the following meanings:

Description	Abbreviation or Acronym
percent	%
three dimensional	3D
atomic absorption	AA
silver	Ag
above mean sea level	amsl
all-terrain vehicle	ATV
gold	Au
degrees Celsius	°C
Canadian dollar	CAD\$
chlorite	Cl
centimetre	cm
Canadian Institute of Mining, Metallurgy and Petroleum	CIM
cobalt	Co
copper	Cu
diamond drill hole	DDH
east	E
electromagnetic	EM
degrees Fahrenheit	°F
fire assay	FA
iron	Fe
fluxgate magnetometer	FGM
feet	ft
gram	g
grams per tonne	g/t
Gander River Ultramafic Belt	GRUB
Gander River Complex	GRC
billion years ago	Ga
geographic information system	GIS
Global Positioning System	GPS
Geological Survey of Canada	GSC
hectare	ha
inductively coupled plasma	ICP
induction magnetometer	IM
induced polarization	IP
International Organization for Standardization	ISO
kilogram	kg
kilometre	km
light detection and ranging	LiDAR
metre	m
million years ago	Ma
millilitre	ml
millimetre	mm
north	N
not applicable	n/a
North American Datum	NAD
National Instrument 43-101	NI 43-101
National Topographic System	NTS
lead	Pb
Professional Geoscientist	P. Geo.
Parts per billion	ppb

Description	Abbreviation or Acronym
parts per million	ppm
Wing Pond Property	the Property
quality assurance/quality control	QA/QC
qualified person	QP
rock quality designation	RQD
south	S
Standards Council of Canada	SCC
tonne	t
time-domain electromagnetic	TDEM
Universal Transverse Mercator	UTM
Wing Pond Shear Zone	WPSZ
west	W
zinc	Zn

PROSPECTUS SUMMARY

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

The Issuer: The Issuer was incorporated under the *Business Corporations Act* (British Columbia) on October 4, 2021, under the name “Sorrento Resources Ltd.”. The issuer does not have any subsidiaries.

The Issuer’s corporate office is located at 9285 203B Street, Langley, British Columbia V1M 2L9, and its registered and records office is located at Suite 3200 – 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7.

The Issuer’s Business: The Issuer is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada. Its objective is to locate and develop economic precious and base metal properties of merit and to conduct its exploration program on the Wing Pond Property.

Further to these objectives, the Issuer entered into the Property Option Agreement pursuant to which it is entitled to earn an undivided 100% interest in the Wing Pond Property.

The Issuer intends to fund the exploration of the Wing Pond Property and its initial commitments thereon using the proceeds of its prior private placement financings and this Offering. It is the intention of the Issuer to remain in the mineral exploration business. Should the Wing Pond Property not be deemed viable, the Issuer shall explore opportunities to acquire interests in other properties. See “*Narrative Description of the Business*” below.

The Property: The Wing Pond Property consists of seven (7) Newfoundland and Labrador mineral licenses comprised of 462 Newfoundland and Labrador mineral claims and covers an area of approximately 11,550 hectares, located roughly 40 km east-northeast of Gander, Newfoundland, Canada, in the Central Newfoundland.

Management, Directors and Officers: Brayden R. Sutton – Chief Executive Officer, President and Director
T. Joshua Taylor – Director
Brent M. Clark – Director
Samantha L. Shorter - Director
Bobby S. Dhaliwal – Chief Financial Officer and Corporate Secretary

See “*Directors and Officers*” below.

The Offering: The Issuer is offering a minimum of 4,285,714 Offered Shares and a maximum of 7,142,857 Offered Shares for sale at a price of \$0.175 per Offered Share in the provinces of British Columbia, Alberta and Ontario.

This Prospectus also qualifies the distribution of (i) up to a maximum of 739,285 Compensation Options to the Agent as Qualified Compensation Securities; (ii) up to a maximum of 1,071,428 Over-Allotment Option Shares issuable upon the exercise of the Over-Allotment Option; and (iii) 1,000,000 Common Shares issuable to the Optionors in respect of the Wing Pond Property.

See “*Plan of Distribution*” below.

Use of Proceeds: The gross proceeds to the Issuer (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Offered Shares offered hereby will be a minimum of \$750,000 and a maximum of \$1,250,000. The total funds available to the Issuer at the closing of the Offering, after deducting the

estimated remaining expenses of the Offering of \$125,000, the Agent's Commission of \$67,500 if the Minimum Offering is completed or \$112,500 if the Maximum Offering is completed, and the balance of the Corporate Finance Fee of \$18,375 (including GST) , and including the Issuer's estimated working capital as at November 30, 2022 of \$55,014, are estimated to be \$594,139 if the Minimum Offering is achieved and \$1,049,139 if the Maximum Offering is achieved.

Principal Purpose	Funds Available on Completion of the Minimum Offering⁽¹⁾ (\$)	Funds Available on Completion of the Maximum Offering⁽¹⁾ (\$)
To pay the estimated cost of phase 1 of the recommended exploration program and the budget on the Wing Pond Property as outlined in the Technical Report ⁽²⁾	116,500	116,500
To pay the estimated cost of phase 2 of the recommended exploration program and the budget on the Wing Pond Property, if warranted by the results of the phase 1 exploration program, as outlined in the Technical Report ⁽²⁾	-	431,000
To pay consulting and management fees to CEO and CFO	150,000	150,000
To provide funding sufficient to meet administrative costs for 12 months	258,000	258,000
To provide general working capital to fund the Issuer's ongoing operations	69,639	93,639
TOTAL:	594,139	1,049,139

⁽¹⁾ See "Use of Proceeds" below. The Issuer intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In the event of exercise of the Over-Allotment Option, the Issuer will use the proceeds for general working capital.

⁽²⁾ See "Narrative Description of the Business" below and Schedule E attached to this Prospectus for a summary of the work to be undertaken, a breakdown of the estimated costs and the nature of title to, or the Issuer's interest in, the Wing Pond Property.

Summary of Financial Information:

The following selected financial information is subject to the detailed information contained in the audited financial statements of the Issuer and notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements of the Issuer for the period from October 4, 2021 (date of incorporation) to June 30, 2022, and the unaudited financial statements of the Issuer for the interim period ended September 30, 2022. The Issuer has established June 30 as its financial year end.

	Period Ended June 30, 2022 (audited) (\$)	Period Ended September 30, 2022 (unaudited) (\$)
Consulting fees	33,000	13,500
Exploration expenses	133,025	13,533
Management fees	30,000	15,000
Office and miscellaneous	8,746	3,741

Professional fees	20,608	6,305
Net Loss	(225,379)	(52,079)
Basic and diluted loss per common share	(0.05)	(0.01)
Current assets	272,556	192,470
Mineral property	35,000	35,000
Deferred financing costs	33,375	96,357
Current liabilities	62,369	97,344
Long-term financial liabilities	Nil	Nil
Cash dividends per share	Nil	Nil

See “*Selected Financial Information and Management Discussion and Analysis*” below.

Risk Factors:

An investment in the Offered Shares should be considered highly speculative and investors may incur a loss on their investment. The Issuer has no history of earnings and to date has not defined any commercial quantities of mineral reserves on the Wing Pond Property. The Issuer has an option only to acquire an interest in the Wing Pond Property and there is no guarantee that the Issuer’s 100% interest, if earned, will be certain or that it cannot be challenged by claims of aboriginal or indigenous title, or unknown third parties claiming an interest in the Wing Pond Property. The Issuer and its assets may also become subject to uninsurable risks. The Issuer’s activities may require permits or licenses which may not be granted to the Issuer. The Issuer competes with other companies with greater financial resources and technical facilities. The Issuer may be affected by political, economic, environmental and regulatory risks beyond its control. The Issuer is currently largely dependent on the performance of its directors and officers and there is no assurance the Issuer can retain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. The global pandemic caused by COVID-19 may result in additional expenses and delays to the Issuer, the impact of which is uncertain on the Issuer at this time See “*Risk Factors*” below.

Currency:

Unless otherwise indicated, all currency amounts herein are stated in Canadian Dollars.

CORPORATE STRUCTURE

Name and Incorporation

The Issuer was incorporated under the *Business Corporations Act* (British Columbia) on October 4, 2021, under the name “Sorrento Resources Ltd.”.

The Issuer’s head office is located at 9285 203B Street, Langley, British Columbia V1M 2L9, and its registered and records office is located at Suite 3200, 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7.

The Issuer has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Issuer

The Issuer is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada. See “*Narrative Description of the Business*” below.

History

Subsequent to its incorporation, the Issuer has completed private seed capital equity financing, raising aggregate gross proceeds of approximately \$503,941. These funds have been, and are being, used for the acquisition, exploration and maintenance of the Wing Pond Property and general working capital. The Issuer intends to raise funds through the Offering to carry out additional exploration on the Wing Pond Property, as set out in “*Use of Proceeds*” below.

Acquisitions

Wing Pond Property

On November 9, 2021, as amended October 28, 2022, the Issuer entered into an arm’s length Property Option Agreement with the Optionors, pursuant to which the Issuer has the right to acquire a 100% interest in the Wing Pond Property, subject to the Optionors’ NSR (as hereinafter defined). The Option is exercisable by the Issuer completing a series of cash payments to the Optionors totaling \$85,000, issuing 3,000,000 Common Shares to the Optionors, incurring \$290,000 of exploration expenditures on the Wing Pond Property and delivering a technical report in respect of the Property, prepared by an independent qualified person in accordance with the requirements of National Instrument 43-101 as follows

- (a) make a cash payment of \$35,000 upon signing of the Property Option Agreement (**paid**);
- (b) incurring \$90,000 of exploration expenditures on the Property on or before November 30, 2022 (**complete**);
- (c) deliver a technical report on the Property on or before November 30, 2022 (satisfied by delivery of the technical report dated August 1, 2022, entitled “*National Instrument 43-101 Technical Report on the Wing Pond Property Gander, Newfoundland, Canada*” authored by Luke van der Meer., B.Sc., P. Geo.);
- (d) issue 1,000,000 Common Shares to the Optionors on or before the earlier of (i) the Listing Date, and (ii) April 30, 2023; and
- (e) make a further cash payment of \$50,000 and issue a further 2,000,000 Common Shares to the Optionors and incur a further \$200,000 of exploration expenditures on the Property on or before the earlier of (i) the first anniversary of the Listing Date, and (ii) November 30, 2023.

The respective interests of each of the Optionors to the cash payments, Common Share issuances and payments of the Optionor's NSR are set out in the following table:

Optionor	Initial Cash Payment (paid) (\$)	Common Shares issuable on Listing Date ⁽²⁾	Cash Payment on first anniversary of Listing Date (\$)	Common Shares issuable on first anniversary of Listing Date	Optionors' NSR (%)
Canal Front Investments Inc. ⁽¹⁾	-	500,000 ⁽³⁾	25,000	1,000,000	50
Aubrey Budgett	25,000	180,000	5,000	360,000	12.5
Gary Lewis	10,000	180,000	5,000	360,000	12.5
Len Lewis	-	50,000	5,000	100,000	12.5
Nigel Lewis	-	50,000	5,000	100,000	12.5
Mark Stockley	-	40,000	5,000	80,000	-
TOTAL:	35,000	1,000,000	50,000	2,000,000	100

⁽¹⁾ A private company wholly-owned by Blair Naughty, who is currently an Insider of the Issuer. See "Principal Shareholders".

⁽²⁾ Qualified for distribution under this Prospectus.

⁽³⁾ Subject to escrow. See "Escrowed Securities".

The Optionors will retain a 3% net smelter returns royalty on the Property (the "Optionors' NSR"). At any time following the exercise of the option to acquire the Wing Pond Property pursuant to the terms of the Property Option Agreement, the Issuer will have the right to purchase two-thirds of the Optionors' NSR from the Optionors at any time for \$1,000,000, leaving the Optionors with a 1% net smelter returns royalty.

All Common Shares issuable by the Issuer under the Property Option Agreement shall be subject to such resale restrictions and legends as may be imposed by the applicable securities laws and the CSE and subject to adjustment in the event of any reorganization of the authorized capital of the Issuer by way of consolidation, merger, sub-division, amalgamation, rights offering or otherwise, or the payment of any stock dividends. In addition, 875,000 of the 1,000,000 Common Shares to be issued to the Optionors on or before the earlier of (i) the Listing Date, and (ii) April 30, 2023 will be restricted from resale as follows:

- (a) 125,000 Common Shares will be restricted for a period of three (3) months following the Listing Date;
- (b) 125,000 Common Shares will be restricted for a period of three (6) months following the Listing Date;
- (c) 125,000 Common Shares will be restricted for a period of three (9) months following the Listing Date;
- (d) 125,000 Common Shares will be restricted for a period of three (12) months following the Listing Date;
- (e) 125,000 Common Shares will be restricted for a period of three (15) months following the Listing Date;
- (f) 125,000 Common Shares will be restricted for a period of three (18) months following the Listing Date; and
- (g) 125,000 Common Shares will be restricted for a period of three (21) months following the Listing Date.

During the term of the Property Option Agreement, the Issuer has the right to: (a) enter upon the claims comprising the Property; (b) have exclusive and quiet possession of the Property; (c) incur expenditures on the claims; (d) do such prospecting, exploration and development work on the Property as the Issuer may consider advisable, including the removal of ore and other materials from the Property as may be permitted

by applicable law; (e) be responsible for and abide by all environmental laws when entering upon the Property; and (f) advise and consult with the applicable aboriginal groups in the area in respect to all visits and work contemplated and apply for all permits, licenses and other approvals necessary to undertake operations on the Property from applicable governmental authorities or other entities having regulatory authority over the Property.

During the term of the Property Option Agreement, the Optionors: (a) shall not directly or indirectly solicit, discuss, encourage, or accept any offer for the purchase, joint venture, option or financing of the claims comprising the Property, or any other action with the intention or reasonably foreseeable effect of leading to a transaction contrary in intent to the Property Option Agreement; (b) the Issuer shall not commence any commercial mining operations or activities on the claims comprising the Property; and (c) the Issuer shall be responsible for all expenses and fees required to keep the claims comprising the Property in good standing in the Province of Newfoundland & Labrador.

Particulars of the Wing Pond Property are described in greater detail under the heading “*Narrative Description of the Business*” below and in Schedule E of this Prospectus.

Trends

As a junior mining company, the Issuer is highly susceptible to the cycles of the mineral resource sector and the financial markets as they relate to junior companies. The Issuer is also susceptible to the effects of the global pandemic caused by COVID-19. Due to the current stage of the Issuer’s development and the fact that the Issuer is not currently conducting development activities, the impact of COVID-19 on the Issuer has been fairly minimal. However, the Issuer may incur additional expenses and delays due to the impact of COVID-19 although it is difficult to ascertain the extent of such impact.

In addition to the potential impact of COVID-19 global pandemic, the Issuer’s financial performance is also dependent upon many other external factors. Both prices and markets for metals are volatile, difficult to predict and subject to changes in domestic and international, political, social and economic environments. Circumstances and events beyond its control could materially affect the financial performance of the Issuer. Apart from this risk and the risk factors noted under the heading “*Risk Factors*”, the Issuer is not aware of any other trends, commitments, events or uncertainties that are reasonably likely to have a material adverse effect on the Issuer’s business, financial conditions or result of operations.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Issuer is engaged in the business of acquiring and exploring mineral resource properties. The Issuer’s sole property is the Wing Pond Property, located in the Province of Newfoundland and Labrador and comprised of 462 mineral claims covering an area of approximately 11,550 hectares, located roughly 40 km east-northeast of Gander, Newfoundland, Canada, in the Central Newfoundland. All the claims were staked on behalf of the Optionors in 2021, and are held variously by Nigel Lewis, Leonard Lewis and Gary Lewis (all of whom are Optionors), as well as Unity Resources Inc. as bare trustee for the remaining Optionors. The Issuer’s interest in the Property is governed by the Property Option Agreement. See “*Acquisitions – Wing Pond Property*” above.

The Issuer intends to use the net proceeds from this Offering to carry out exploration on the Property and for working capital. The Issuer may decide to acquire other mineral properties in addition to the Property described below.

Wing Pond Property, Newfoundland, Canada

A summary of the relevant technical disclosure concerning the Wing Pond Property is attached as Schedule E to this Prospectus, which summary has been derived or extracted from the Technical Report, and, in accordance with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”). The Author is a “qualified person” and “independent” of the Issuer within the meaning of NI 43-101.

All figure and table references herein are numbered in accordance with the Technical Report available on the Issuer's SEDAR profile at www.sedar.com.

USE OF PROCEEDS

Proceeds

The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Offered Shares offered pursuant to the Offering in the provinces of British Columbia, Alberta and Ontario. If all of the Offered Shares offered pursuant to this Offering are sold, the gross proceeds to the Issuer will be a minimum of \$750,000 and a maximum of \$1,250,000 (assuming no exercise of the Over-Allotment Option).

This Offering is subject to the completion of a minimum subscription of 4,285,714 Offered Shares for gross proceeds to the Issuer of \$750,000. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the Prospectus, all subscription monies will be returned to Subscribers without interest or deduction. Subject to the foregoing, the Offering will remain open until the date that is 90 days after a receipt is issued for the Prospectus, unless an amendment to the Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the Prospectus. In any event, the Offering must cease at the latest 180 days from the date of the receipt for the Prospectus.

Funds Available

The gross proceeds to the Issuer (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Offered Shares offered hereby will be a minimum of \$750,000 and a maximum of \$1,250,000. The total funds available to the Issuer at the closing of the Offering, after deducting the estimated remaining expenses of the Offering of \$125,000, the Agent's Commission of \$67,500 if the Minimum Offering is completed or \$112,500 if the Maximum Offering is completed and the balance of the Corporate Finance Fee of \$18,375 (including GST) and including estimated working capital as at November 30, 2022 of \$55,014, are estimated to be \$594,139 if the Minimum Offering is achieved and \$1,049,139 if the Maximum Offering is achieved.

Principal Purposes

Expenses	Funds to be Used (Minimum Offering) (\$)	Funds to be Used (Maximum Offering) (\$)
To pay the estimated cost of phase 1 of the recommended exploration program and the budget on the Wing Pond Property as outlined in the Technical Report ⁽¹⁾	116,500	116,500
To pay the estimated cost of phase 2 of the recommended exploration program and the budget on the Wing Pond Property, if warranted by the results of the phase 1 exploration program, as outlined in the Technical Report ⁽¹⁾	-	431,000
To pay consulting and management fees to CEO and CFO ⁽²⁾	150,000	150,000
To provide funding sufficient to meet administrative costs for 12 months ⁽³⁾	258,000	258,000
To provide general working capital to fund the Issuer's ongoing operations	69,639	93,639
TOTAL:	594,139	1,049,139

⁽¹⁾ See "Narrative Description of the Business" above and Schedule E attached to this Prospectus for a summary of the work to be undertaken and a breakdown of the estimated costs.

⁽²⁾ Amounts payable to the Issuer's Chief Executive Officer, Brayden R. Sutton, and also to Red Fern Consulting Ltd., a private company controlled by Samantha L. Shorter, through which CFO services are rendered to the Issuer. See "Statement of Executive Compensation – Employment, Consulting and Management Agreements".

⁽³⁾ See "Administrative Expenses" table below.

Upon completion of the Offering, the Issuer's working capital available to fund ongoing operations will be sufficient to meet its administrative costs and exploration expenditures for twelve months. Estimated administrative expenditures for the 12 months following completion of the Offering are comprised of the following:

Administrative Expenses	Funds to be Used (\$)
Rent, Miscellaneous Office and Supplies	36,000
Administration Services ⁽¹⁾	36,000
Exchange and Regulatory Compliance	35,000
Transfer Agent	22,000
Legal	30,000
Accounting and Audit	35,000
Director and Officer Insurance	25,000
Travel	15,000
Investor Relations	24,000
TOTAL:	258,000

⁽¹⁾ Payable to Matalia Investments Ltd. pursuant to Administrative Services Agreement dated October 4, 2021 (see "Material Contracts").

Since its incorporation on October 4, 2021, the Issuer has not generated cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since funds will be expended to pay its administrative expenses and to conduct the recommended exploration program on the Wing Pond Property. Although the Issuer has allocated \$258,000 (as above) from the Offering to fund its ongoing operations for a period of 12 months, thereafter, the Issuer will be reliant on future equity financings for its funding requirements.

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

Until required for the Issuer's purposes, the proceeds will be invested only in securities of, or those guaranteed by, the Government of Canada or any province of Canada, in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies or in prime commercial paper. The Issuer's Chief Financial Officer will be responsible for the investment of unallocated funds.

In the event of exercise, in full, of the Over-Allotment Option, potential additional gross proceeds totalling a \$187,500 will be added to the Issuer's general working capital.

Stated Business Objectives and Milestones

The Issuer's business objectives in using the available funds are to:

- (a) obtain a listing of its Common Shares on the Exchange; and
- (b) conduct phase 1 of the exploration program on the Wing Pond Property recommended in the Technical Report.

The Issuer has applied to list its Common Shares on the Exchange. Listing will be subject to the Issuer fulfilling all of the requirements of the Exchange.

Upon completion of the Offering, phase 1 of the exploration program on the Wing Pond Property is expected to be conducted and completed by the end of the second quarter of 2023.

If the results of the phase 1 work program are successful, the Issuer plans to undertake and complete the recommended phase 2 program on the Property in the second quarter of 2023. However, the phase 2 work program may require the Issuer to raise additional capital. The additional capital may come from future equity or debt financings and there can be no assurance that the Issuer will be able to raise such additional capital if and when required or on terms acceptable to the Issuer or at all.

Notwithstanding management's estimates as to when the phase 1 program and if applicable, the phase 2 work program, may be completed, exploration on the Wing Pond Property may be adversely impacted as a result of government restrictions that may be imposed in response to the current COVID-19 pandemic. Such restrictions may result in travel bans, closure of assay labs, work delays, difficulties for contractors and employees getting to and from the Property and divert the attention of management, all of which, in turn, could have a negative impact on the Issuer's ability to implement the work programs for the costs and by the completion dates estimated by management (see "*Risk Factors – COVID 19 Pandemic*").

Should the Wing Pond Property not be deemed viable, the Issuer shall explore opportunities to acquire interests in other properties. Any such opportunities, if pursued, will also likely require that the Issuer raise additional capital. It is the intention of the Issuer to remain in the mineral exploration business. There can be no assurance that the Company can raise such additional capital if and when required. See "*Risk Factors.*"

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Financial Information

The Issuer was incorporated in the province of British Columbia on October 4, 2021. The following selected financial information is subject to the detailed information contained in the audited financial statements of the Issuer and notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements of the Issuer for the period from October 4, 2021 (date of incorporation) to June 30, 2022, and the unaudited financial statements of the Issuer for the interim period ended September 30, 2022. The Issuer has established June 30 as its financial year end.

	Period Ended June 30, 2022 (audited) (\$)	Three Months Ended September 30, 2022 (unaudited) (\$)
Consulting fees	33,000	13,500
Exploration expenses	133,025	13,533
Management fees	30,000	15,000
Office and miscellaneous	8,746	3,741
Professional fees	20,608	6,305
Net Loss	(225,379)	(52,079)
Basic and diluted loss per common share	(0.05)	(0.01)
Current assets	272,556	192,470
Mineral property	35,000	35,000
Deferred financing costs	33,375	96,357
Current liabilities	62,369	97,344
Long-term financial liabilities	Nil	Nil
Cash dividends per share	Nil	Nil

Dividends

There are no restrictions that would prevent the Issuer from paying dividends on the Common Shares, however, the Issuer has neither declared nor paid any dividends on its Common Shares since incorporation and has not established any dividend or distribution policy. The Issuer intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Management's Discussion and Analysis

The Issuer's Management's Discussion and Analysis for the period October 4, 2021 (date of incorporation) to June 30, 2022 and for the three months ended September 30, 2022 provides an analysis of the Issuer's financial results for such period and should be read in conjunction with the audited financial statements and related notes for such period. The Issuer's Management's Discussion and Analysis for the period October 4, 2021 (date of incorporation) to June 30, 2022 and for the three months ended September 30, 2022 is attached to this Prospectus as Schedule D.

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

The Issuer is not a reporting issuer and was not required to prepare interim financial statements therefore, quarterly results are not available.

Liquidity and Capital Resources

During the first year after completion of this Offering, the Issuer estimates that the aggregate annual cost of general administration for its operations will be approximately \$258,000. See "*Use of Proceeds*" above. The net proceeds from the Offering should be sufficient to fund the Issuer's operations for at least a period of 12 months. There are no other capital expenditures to be incurred by the Issuer during the period.

The Issuer does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its Common Shares to fund its operations. As of September 30, 2022, its capital resources consisted of a cash balance of \$179,861 accounts receivable of \$4,220, accrued liabilities of \$97,344 and prepaid expenses of \$8,389. The Issuer expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances.

The Issuer's material property is the Wing Pond Property located roughly 40 km east-northeast of Gander, Newfoundland, Canada, in the Central Newfoundland. The Property is comprised of seven (7) Newfoundland and Labrador mineral licenses comprised of 462 Newfoundland and Labrador mineral claims and covers an area of approximately 11,550 hectares.

The Issuer has the option of acquiring a 100% interest in the Wing Pond Property, subject to a 3.0% net smelter returns royalty retained by the Optionors as set out in the Property Option Agreement. For a summary of the Issuer's payment and exploration expenditure obligations under the Property Option Agreement, see "*General Development of the Business*" above.

During the period from incorporation (October 4, 2021) to June 30, 2022, the Issuer has expended \$133,025 on the exploration and development of the Wing Pond Property consisting geological and geophysical work, surveying, technical report preparation and travel, logistics and camp costs. Should the Issuer in the future choose to continue the exploration and development of the Wing Pond Property, it will require additional capital resources.

As of June 30, 2022, the Issuer had a working capital balance of approximately \$210,187. The Issuer expects to incur losses for at least the next 24 months and there can be no assurance that the Issuer will ever make a profit. To achieve profitability, the Issuer must advance its Property through further exploration in order to bring the Property to a stage where the Issuer can attract the participation of a major resource

company, which has the expertise and financial capability to place such property into commercial production.

During the three month period ended September 30, 2022, the Issuer incurred \$13,533 in exploration and evaluation expenditures on the Wing Pond Property.

As of September 30, 2022, the Issuer had a working capital balance of approximately \$95,126. The Issuer expects to incur losses for at least the next 24 months and there can be no assurance that the Issuer will ever make a profit. To achieve profitability, the Issuer must advance its Property through further exploration in order to bring the Property to a stage where the Issuer can attract the participation of a major resource company, which has the expertise and financial capability to place such property into commercial production.

The Issuer has concluded transactions and arrangements with related parties. See "*Interest of Management and Others in Material Transactions*" below for further details.

The Issuer's ability to continue as a going-concern is dependent upon its ability to achieve profitability and fund any additional losses it may incur. The financial statements are prepared on a going-concern basis, which implies that the Issuer will realize its assets and discharge its liabilities in the normal course of business. The financial statements do not reflect adjustments to the carrying value of assets and liabilities that would be necessary if the Issuer were unable to achieve and maintain profitable operations.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The Authorized share capital of the Issuer consists of an unlimited number of Common Shares without par value. As of the date of this Prospectus, 9,166,666 Common Shares were issued and outstanding as fully paid and non-assessable shares.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Issuer and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Issuer. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Issuer, are entitled to receive such dividends in any financial year as the Board of Directors may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Issuer, the remaining property and assets of the Issuer.

Compensation Options

The Issuer has agreed to grant to the Agent, Compensation Options entitling the Agent to purchase that amount of Common Shares as is equal to 9% of Common Shares to be issued pursuant to this Offering, with an exercise price that is equal to the Offering Price.

Additional Common Shares

The Issuer has agreed to issue 1,000,000 Common Shares to the Optionors on the Listing Date in respect of the Wing Pond Property. See "*General Development of the Business*" above and "*Plan of Distribution*" below.

CONSOLIDATED CAPITALIZATION

The following table summarizes the changes in the Issuer's capitalization since incorporation and after giving effect to the Offering:

Description	Authorized Amount	Authorized at the date of this Prospectus	Outstanding as at September 30, 2022 (Unaudited)	Outstanding at the date of this Prospectus (Unaudited)	Outstanding after giving effect to the Maximum Offering (Unaudited) ⁽¹⁾⁽²⁾
Common Shares	Unlimited	Unlimited	9,166,666	9,166,666	17,309,523
Warrants	N/A	N/A	2,650,000	2,650,000	2,650,000
Compensation Options	N/A	N/A	Nil	Nil	642,857
Long Term Debt	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ As partial consideration for the sale of Common Shares pursuant to this Prospectus, the Issuer has agreed to grant the Agent Compensation Options entitling the Agent to purchase up to that amount of Common Shares as is equal to 9% of the number of Common Shares issued pursuant to this Offering, including any Common Shares sold under the Over-Allotment Option. The Compensation Options may be exercised at a price of \$0.175 per Common Share for a period of 24 months from the Closing Date. This Prospectus qualifies the distribution of the Compensation Options to the Agent to the extent that such Compensation Options constitute as Qualified Compensation Securities. The Common Shares issuable on exercise of the Compensation Options and Over-Allotment Option are not reflected in these figures.

⁽²⁾ Includes the 1,000,000 Common Shares to be issued to the Optionors upon Listing in respect of the Wing Pond Property but does not include any Common Shares issued upon any exercise of the Over-Allotment Option (up to 1,071,428 additional Offered Shares), the Compensation Options or the Warrants.

OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

The Stock Option Plan was approved by the Issuer's directors on July 21, 2022. The purpose of the Stock Option Plan is to assist the Issuer in attracting, retaining and motivating directors, officers, employees and consultants (together "**eligible persons**") of the Issuer and of its affiliates and to closely align the personal interests of such eligible persons with the interests of the Issuer and its shareholders.

From the date that the Issuer becomes a reporting issuer with its Common Shares listed on a stock exchange (in this section, the "**Listing Date**"), the Stock Option Plan provides that the aggregate number of Common Shares reserved for issuance will be 10% of the number of Common Shares of the Issuer issued and outstanding from time to time.

The Stock Option Plan will be administered by the Board of Directors, who will have full and final Authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such eligible persons of the Issuer and its affiliates, if any, as the Board may from time to time designate, including, but not limited to directors, senior officers, employees of the Issuer, consultants (as defined in National Instrument 45-106 - *Prospectus Exemptions*), employees of an external management company or corporation controlled by a Consultant of the Issuer and its subsidiaries, or an eligible charitable organization. The exercise prices shall be determined by the Board, but shall, in no event, be less than the greater of the closing market price of the Issuer's shares on the Exchange on (i) the trading day prior to the date of the grant of the options and (ii) the date of grant of such options. The Stock Option Plan provides that after the Listing Date, the number of Common Shares issuable on the exercise of options granted to all persons together with all of the Issuer's other previously granted options may not exceed 10% of the Issuer's issued and outstanding Common Shares on a non-diluted basis, from time to time. In addition, the number of Common Shares, which may be reserved for issuance to any one individual upon the exercise of all stock options held by such individual within a one-year period, may not exceed 5% of the Common Shares issued and outstanding on the grant date, on a non-diluted basis, unless otherwise approved by disinterested shareholders of the Issuer. Subject to earlier termination in the event of dismissal for cause, early retirement, voluntary resignation or termination other than for cause, or in the event of death or disability, all options granted under the Stock Option Plan will expire on the date set by the Board as the expiry date of the option, which expiry date shall not be more

than 10 years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

The terms of stock options granted under the Stock Option Plan may not be amended once issued. If an option is cancelled prior to its expiry date, the Issuer must post notice of the cancellation on the Exchange and shall not grant new options to the same person until 30 days have elapsed from the date of cancellation.

No stock options have been granted pursuant to the Stock Option Plan as of the date hereof.

Warrants

The Issuer has 2,650,000 issued and outstanding Warrants, each Warrant entitling the holder to purchase one Common Share of the Issuer at a price of \$0.05 per Common Share. Of which 1,000,000 warrants are exercisable until November 19, 2024, 300,000 warrants are exercisable until December 3, 2024, and 1,350,000 warrants are exercisable until December 14, 2024. The Warrants were issued as part of private placements conducted by the Issuer.

Compensation Options

The Issuer will issue to the Agent, Compensation Options for the purchase of up to that number of Common Shares as is equal to 9% of the Offered Shares of the Issuer issued pursuant to the Offering, including any Offered Shares sold under the Over-Allotment Option, exercisable at a price of \$0.175 per Common Share for a period of 24 months from the Closing Day.

PRIOR SALES

The following table summarizes the sales of securities of the Issuer in the twelve months prior to the date of this Prospectus:

Issue Date	Price Per Security (\$)	Number of Securities Issued	Proceeds to the Issuer (\$)
October 4, 2021	0.005	1,200,000 Common Shares	6,000
November 19, 2021	0.02	2,000,000 units ⁽¹⁾	40,000
December 3, 2021	0.02	600,000 units ⁽²⁾	12,000
December 14, 2021	0.02	2,700,000 units ⁽³⁾	54,000
March 21, 2022	0.15	1,366,667 Common Shares	205,000
May 9, 2022	0.15	1,299,999 Common Shares	195,000
TOTAL:			512,000

⁽¹⁾ Each unit consisting of one flow-through Common Share and one half of one Warrant, each Warrant entitling the holder to purchase one Common Share at a price of \$0.05 per Common Share until November 19, 2024.

⁽²⁾ Each unit consisting of one flow-through Common Share and one half of one Warrant, each Warrant entitling the holder to purchase one Common Share at a price of \$0.05 per Common Share until December 3, 2024.

⁽³⁾ Each unit consisting of one flow-through Common Share and one half of one Warrant, each Warrant entitling the holder to purchase one Common Share at a price of \$0.05 per Common Share until December 14 2024.

ESCROWED SECURITIES

Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals (as defined below) are required to be held in escrow in accordance with the escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Issuer are subject to the escrow requirements set out in National Instrument 46-201 - *Escrow for Initial Public Offerings*.

Principals include all persons or companies that, on the completion of the Offering, fall into one of the following categories:

- (a) directors and senior officers of the Issuer, as listed in this Prospectus;
- (b) promoters of the Issuer during the two years preceding this Offering;
- (c) those who own and/or control more than 10% of the Issuer's voting securities immediately before and immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Issuer or of a material operating subsidiary of the Issuer;
- (d) those who own and/or control more than 20% of the Issuer's voting securities immediately before and immediately after completion of this Offering; and
- (e) associates and affiliates of any of the above.

The Principals of the Issuer are Brayden R. Sutton, T. Joshua Taylor, Brent M. Clark, Samantha L. Shorter and Bobby S. Dhaliwal.

In addition to the securities held by Principals, the policies of the Exchange require that where convertible securities (such as stock options, common share purchase warrants, special warrants, convertible debentures or notes) are issued less than 18 months before listing and exercisable or convertible into listed shares at a price that is less than the issuance price per security under a prospectus offering or other financing or acquisition made contemporaneously with the Exchange listing application, then the underlying securities will also be subject to escrow. Accordingly, the issued and outstanding Warrants of the Issuer will also be subject to escrow.

The Issuer is an "emerging issuer" as defined in the applicable policies and notices of the Canadian Securities Administrators and if the Issuer achieves "established issuer" status during the term of the Escrow Agreement (as defined below), it will "graduate" resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18-month schedule applicable to established issuers as if the Issuer had originally been classified as an established issuer.

Pursuant to the terms of the Escrow Agreement, the Common Shares and Warrants that are subject to escrow (the "**Escrowed Securities**") may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

- (a) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Issuer or of a material operating subsidiary, with approval of the Board of Directors;
- (b) transfers to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer's outstanding securities;
- (c) transfers to a person or company that after the proposed transfer will (i) hold more than 10% of the voting rights attached to the Issuer's outstanding securities; and (ii) has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries;
- (d) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children or parents;
- (e) transfers upon bankruptcy to the trustee in bankruptcy;
- (f) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; or

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

The following table sets forth details of the Escrowed Securities that are subject to the Escrow Agreement:

Name	Number and Description of Escrowed Securities ⁽¹⁾⁽²⁾	Percentage of Common Shares ⁽³⁾⁽⁴⁾ (%)	Percentage of Issued Common Shares (After Giving Effect to the Minimum Offering) ⁽⁴⁾⁽⁵⁾ (%)	Percentage of Issued Common Shares (After Giving Effect to the Maximum Offering) ⁽⁴⁾⁽⁵⁾ (%)
Brayden R. Sutton	2,466,666 Common Shares 1,000,000 Warrants	25.52	17.07	14.25
T. Joshua Taylor	333,333 Common Shares	3.45	2.31	1.93
Brent M. Clark	300,000 Common Shares	3.10	2.08	1.73
Samantha L. Shorter	616,667 Common Shares ⁽⁶⁾ 75,000 Warrants	6.38	4.27	3.56
Blair Naughty	1,500,000 Common Shares ⁽³⁾ 500,000 Warrants	15.52	10.38	8.67
Various Warrant Holders	1,075,000 Warrants	N/A	N/A	N/A
TOTAL:	5,216,666 Common Shares⁽³⁾ 2,650,000 Warrants			

⁽¹⁾ These securities will be deposited in escrow with the Escrow Agent upon Closing.

⁽²⁾ Pursuant to an escrow agreement (the "**Escrow Agreement**") dated effective December 22, 2022 among the Issuer, the Escrow Agent and certain Principals and Warrant holders of the Issuer, the Principals and Warrant holders have agreed to deposit in escrow the Escrowed Securities with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon the Listing Date and that, where there are no changes to the Escrowed Securities initially deposited and no additional Escrow Securities, the remaining Escrowed Securities will be released in equal tranches of 15% every 6-month interval thereafter, over a period of 36 months.

⁽³⁾ Includes an additional 500,000 Common Shares to be issued to Canal Front Investments Inc., a private company wholly-owned by Blair Naughty (one of the Optionors), representing its portion of the shares to be issued to the Optionors on the Listing Date. These 500,000 Common Shares will be deposited in escrow with the Escrow Agent upon Listing.

⁽⁴⁾ Does not include exercise of Compensation Options, the Over-Allotment Option or the Warrants.

⁽⁵⁾ Includes the 1,000,000 Common Shares to be issued in the aggregate to the Optionors upon Listing; in result, the aggregate number of issued and outstanding Common Shares after completion of the Offering would total 14,452,380 Common Shares (assuming completion of the Minimum Offering), and 17,309,523 Common Shares (assuming completion of the Maximum Offering).

⁽⁶⁾ Of which, 166,667 shares are held through Red Fern Consulting Ltd., private company controlled by Ms. Shorter.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Issuer, 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 the Issuer's Common Shares, other than as follows:

Prior to the Offering			After Giving Effect to the Offering		
Name	Number of Common Shares Owned Directly or Indirectly	Percentage of Common Shares Held (%)	Number of Common Shares Owned Directly or Indirectly	Percentage of Common Shares Held (Minimum/ Maximum Offering) ⁽¹⁾⁽²⁾ (%)	Percentage of Fully Diluted Common Shares Held (Minimum ^{(3)/ Maximum Offering)⁽⁴⁾ (%)}
Brayden R. Sutton	2,466,666	26.91	2,466,666 ⁽⁵⁾	17.07/14.25	13.56/11.33
Blair Naughty	1,000,000	10.91	1,500,000 ⁽⁶⁾⁽⁷⁾	10.38/8.67	8.25/6.89
TOTAL:	3,466,666	37.82	3,966,666⁽⁸⁾	27.45/22.92	21.81/18.22

- (1) Does not include exercise of Compensation Options, Over-Allotment Option or Warrants.
- (2) Includes the 1,000,000 Common Shares to be issued to the Optionors upon Listing.
- (3) On a fully-diluted basis, assuming completion of the Minimum Offering, the exercise of all 443,571 potential Compensation Options and the Over-Allotment Option (642,857 Offered Shares) and the exercise of all 2,650,000 Warrants, being 18,188,808 Common Shares in total.
- (4) On a fully-diluted basis, assuming completion of the Maximum Offering, the exercise of all 739,285 potential Compensation Options and the Over-Allotment Option (1,071,428 Offered Shares) and the exercise of all 2,650,000 Warrants, being 21,770,236 Common Shares in total.
- (5) Mr. Sutton also holds 1,000,000 Warrants.
- (6) Includes 500,000 Common Shares to be issued to Canal Front Investments Inc. (one of the Optionors) upon Listing. Canal Front Investments Inc. is a private company wholly-owned by Blair Naughty.
- (7) Mr. Naughty also holds 500,000 Warrants.
- (8) Assuming neither Mr. Sutton nor Mr. Naughty purchases Common Shares pursuant to the Offering.

DIRECTORS AND OFFICERS

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

Name and Province of Residence and Position with the Issuer	Director/ Officer Since	Principal Occupation for the Past Five Years	Number and % of Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
Brayden R. Sutton ⁽¹⁾ British Columbia, Canada <i>President, Chief Executive Officer, Director</i>	President, Chief Executive Officer and Director since October 4, 2021	CEO of The BC Bud Corporation from September 2020 to present; CEO of 1933 Industries Inc. from May 2017 to May 2019; Chairman of 1933 Industries Inc. from May 2019 to January 2020.	2,466,666 (direct) 26.91%
T. Joshua Taylor ⁽²⁾ British Columbia, Canada <i>Director</i>	Director since October 4, 2021	President of The BC Bud Corporation from October 2021 to present; Director of Business Development of 1933 Industries Inc. from October 2018 to present.	333,333 (direct) 3.64%
Brent M. Clark ⁽²⁾ Ontario, Canada <i>Director</i>	Director since October 4, 2021	Geologist and Exploration Manager of Clark Exploration Consulting Inc. (responsible for exploration project management, planning, and logistics)	300,000 (direct) 3.27%
Samantha L. Shorter ⁽²⁾⁽³⁾ British Columbia, Canada <i>Director</i>	Director since June 14, 2022	Self-employed Financial Consultant (July 2011 – Present)	616,667 ⁽⁴⁾ 6.73%
Bobby S. Dhaliwal British Columbia, Canada <i>Chief Financial Officer and Corporate Secretary</i>	Chief Financial Officer and Corporate Secretary since June 14, 2022	Accountant at Red Fern Consulting Ltd (October 2019 – Present)	Nil

(1) Mr. Sutton also holds 1,000,000 Warrants.

(2) Denotes a member of the Audit Committee of the Issuer.

(3) Ms. Shorter also holds 75,000 Warrants.

(4) Of which, 166,667 shares are held through Red Fern Consulting Ltd., private company controlled by Ms. Shorter.

As at the date hereof, the directors and officers of the Issuer, as a group, currently beneficially own, directly or indirectly, or exercise control or direction over 3,716,666 Common Shares, representing 40.55% of the Issuer's issued and outstanding Common Shares.

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

The Issuer has one committee, the audit committee, comprised of T. Joshua Taylor (Chairman), Brent M. Clark and Samantha L. Shorter.

The following is a brief description of the background of the key management, directors and promoters of the Issuer.

Brayden R. Sutton, 38, Chief Executive Officer, President and Director

Mr. Sutton is Chief Executive Officer, President and director of the Issuer and he has served as such since October 4, 2021. In his capacity as Chief Executive Officer and President, his responsibilities include managing the day-to-day operations of the Issuer, executing policies implemented by the Board of Directors and reporting back to the Board.

Mr. Sutton is the CEO of The BC Bud Corporation, a public company listed on the CSE involved in the production and sale of cannabis products. He founded CannabisHealth.com in 2004 and was the Co-Founder of Supreme Cannabis in 2013. He was the CEO of 1933 Industries Inc., as well as the Director of Business Development for Aurora Cannabis from its inception. Mr. Sutton is or has been a director and/or senior officer of other reporting companies listed on various stock exchanges. He was a director of Anacortes Mining Corp. from March 2018 to June 2020, a director of Plant-Based Investment Corp. (formerly Cannabis Growth Opportunity Corporation) from November 2017 to February 2020, a director and Chief Executive Officer of International Bethlehem Mining Corp. (formerly Orphan Box Resources Inc.) from July 2019 to January 2020, CIO of Cypher Metaverse Inc. (formerly Codebase Ventures Inc.) from December 2016 to May 2017, a director of Delta Resources Limited (formerly Golden Hope Mines Limited) from October 2016 to April 2017, Vice-President of Business Development of Invictus Strategies Corp. from April 2015 to August 2015, a director of Pure Global Cannabis Inc. (formerly Royal Sapphire Corp.) from December 2014 to June 2015, and Director and Corporate Secretary of Future Farm Technologies Inc. from May 2015 to September 2015.

Mr. Sutton, in his capacity as a director, Chief Executive Officer and President of the Company, is an independent contractor, is not subject to the terms of a formal engagement agreement with the Company and has not entered into any non-competition or non-disclosure agreement. Mr. Sutton will devote 90% of his time and expertise to the Company.

T. Joshua Taylor, 37, Director

Mr. Taylor is a director of the Issuer and he has served as such since October 4, 2021. As a director, he is responsible for directing and overseeing management of the Issuer.

Mr. Taylor is the President of The BC Bud Corporation, a public company listed on the CSE involved in the production and sale of cannabis products. Mr. Taylor accumulated several years of sales, marketing and business development experience in the consumer packaged goods and pharmaceutical industries before partnering in The Rosin Factory as a co-founder in 2016, a company involved in the production of solventless flower rosin products.

Mr. Taylor, in his capacity as an Independent Director of the Issuer, is an independent contractor, providing his services on a part-time basis, is not subject to the terms of a formal engagement agreement with the Issuer, and has not entered into any non-competition or non-disclosure agreement. Mr. Taylor will devote 5% of his time and expertise to the Issuer.

Brent M. Clark, 32, P.Geo., Director

Mr. Clark is a director of the Issuer and he has served as such since October 4, 2021. As a director, he is responsible for directing and overseeing management of the Issuer.

Mr. Clark is a professional geologist and has been active in the exploration and mining industry for the past 8 years throughout Northern Ontario, and Quebec, Canada; Australia, and Papua New Guinea in the positions of Exploration Manager, and Geological Consultant. Mr. Clark has coordinated exploration program and mineral resource definition projects and is a registered Professional Geoscientist in Ontario and holds a Bachelor of Science in Earth Sciences from Carleton University.

Mr. Clark, in his capacity as an Independent Director of the Issuer, is an independent contractor, providing his services on a part-time basis, is not subject to the terms of a formal engagement agreement with the Issuer, and has not entered into any non-competition or non-disclosure agreement. Mr. Clark will devote 5% of his time and expertise to the Issuer.

Samantha L. Shorter, 38, Director

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

Ms. Shorter, in her capacity as an Independent Director of the Issuer, is an independent contractor, providing her services on a part-time basis, is not subject to the terms of a formal engagement agreement with the Issuer, and has not entered into any non-competition or non-disclosure agreement. Ms. Shorter will devote 10% of her time and expertise to the Issuer.

Bobby S. Dhaliwal, 26, Chief Financial Officer and Corporate Secretary

Mr. Dhaliwal has served as the Chief Financial Officer and Corporate Secretary of the Issuer since June 14, 2022. As the Chief Financial Officer and Corporate Secretary, he is responsible for the financial affairs of the Issuer and directing and overseeing management of the Issuer.

Mr. Dhaliwal is an accountant with Red Fern Consulting Ltd. and works as a financial consultant with a number of TSX-V and CSE listed companies in the resources sector, including in the role of controller. These companies are Canada-based with various international operations. His professional experience includes exploration and mining companies, continuous disclosure and financial reporting, implementation of accounting software, various equity financings and implementation of internal control policies. Mr. Dhaliwal graduated from Langara College, Vancouver, and holds a Bachelor of Accounting as well as the designation of Chartered Professional Accountant (CPA) in Canada. Mr. Dhaliwal is an employee of Red Fern Consulting Ltd., a company through which he provides his services to the Issuer.

Mr. Dhaliwal, in his capacity as Chief Financial Officer and Corporate Secretary, is an independent contractor, providing his services on a part-time basis, is not subject to the terms of a formal engagement agreement with the Issuer, and has not entered into any non-competition or non-disclosure agreement. Mr. Dhaliwal will devote 30% of his time and expertise to the Issuer.

Corporate Cease Trade Orders or Bankruptcies

To the Issuer's knowledge:

- (a) Except as disclosed below, no existing or proposed director, executive officer or promoter of the Issuer is, or within the ten years prior to the date hereof has been, a director or

executive officer of any other company that, while that person was acting in the capacity of director or executive officer of that company, was the subject of a cease trade order or similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days;

- (b) No existing or proposed director, executive officer or promoter of the Issuer is, or within the ten years prior to the date hereof ceased to be a director or executive officer of any other company that, was the subject of a cease trade order or similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the director, executive officer or promoter ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director or executive officer; and
- (c) Except as disclosed below, no existing or proposed director, executive officer or promoter of the Issuer is, or within the ten years prior to the date hereof has been, a director or executive officer of any other company that, while that person was acting in the capacity of director, executive officer or promoter of that company, 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.

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

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

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

Penalties or Sanctions

To the Issuer's knowledge, no existing or proposed director, executive officer, promoter or other member of management of the Issuer has been subject to any penalties or sanctions imposed by a court or securities regulatory Authority relating to trading in securities, promotion, formation or management of a publicly traded company, or involving fraud or theft.

Personal Bankruptcies

To the Issuer's knowledge, no existing or proposed director, officer, promoter or other member of management of the Issuer has, during the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Conflicts of Interest

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

To the Issuer's knowledge and other than disclosed herein, there are no known existing or potential conflicts of interest among the Issuer, its promoters, directors and officers or other members of management of the Issuer 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 Issuer and their duties as a director or officer of such other companies.

STATEMENT OF EXECUTIVE COMPENSATION

The executive compensation discussion below discloses compensation paid to the following individuals:

- (a) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Issuer and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with Section 1.3(5) of Form 51-102F6V under National Instrument 51-102 – *Continuous Disclosure Obligations*, for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, as at the end of the most recently completed financial year,

(each, a "Named Executive Officer").

During the period ended June 30, 2022, the Issuer had three individuals who were Named Executive Officers, namely (i) Brayden R. Sutton, who was appointed the Chief Executive Officer and President of the Issuer on October 4, 2021; (ii) Samantha L. Shorter, who was appointed Chief Financial Officer and Corporate Secretary of the Issuer on October 4, 2021; and (iii) Bobby S. Dhaliwal, who was appointed Chief Financial Officer and Corporate Secretary of the Issuer on June 14, 2022.

Compensation Discussion and Analysis

In assessing the compensation of its Named Executive Officers, the Issuer does not have in place any formal objectives, criteria or analysis. The Issuer's Named Executive Officer compensation during the most recently completed financial period ended June 30, 2022 was determined and administered by the Board of Directors. The Board of Directors was solely responsible for assessing the compensation to be paid to the Issuer's Named Executive Officers and for evaluating their performance. See "*Employment, Consulting and Management Agreements*" below for further information.

As of the date of this Prospectus, the Board of Directors has not established any benchmark or performance goals to be achieved or met by Named Executive Officers, however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Issuer. The satisfactory discharge of such duties is subject to ongoing monitoring by the Issuer's directors.

It is expected that once the Issuer becomes a reporting issuer, base salary will become a component of Named Executive Officer compensation. The base salary for each Named Executive Officer will be based on the position held, the related responsibilities and functions performed by the executive, and salary ranges for similar positions in comparable junior mineral exploration companies at the Issuer's stage of development and which constitute the Issuer's peer group. As of the date of this Prospectus, the Issuer has identified Clarity Gold Corp., Pacific Empire Minerals Corp., Troubadour Resources Inc., and Red Lake Gold Inc. as comparable junior mineral exploration companies with properties at a similar stage of development. The Issuer considers it appropriate to be guided by compensation levels within this peer group because such companies, while in the exploration stage, generally have no revenues and are dependent on equity financings to raise the necessary capital to undertake further exploration activities and are therefore constrained in their ability to compensate Named Executive Officers. Individual and corporate performance and time allocated to the Issuer will also be taken into account in determining base salary levels.

Another component of Named Executive Officer compensation is the grant of stock options pursuant to the Issuer's Stock Option Plan. The objective of this compensation component is to attract, retain and motivate certain persons of training, experience and leadership as key service providers to the Issuer, including its directors, Named Executive Officers and employees and to advance the interest of the Issuer by providing such persons with additional compensation and the opportunity to participate in the success of the Issuer.

In addition to, or in lieu of, the compensation components described above, payments may be made from time to time to individuals, including Named Executive Officers or directors of the Issuer, or companies they control for the provision of management or consulting services. Such services are paid for by the Issuer at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Summary Compensation Table

The following table sets forth the value of the compensation, excluding compensation securities, of the Issuer's Named Executive Officers, for the period October 4, 2021 (date of incorporation) to June 30, 2022:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Brayden R. Sutton <i>Chief Executive Officer, President and Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil	30,000 ⁽³⁾	30,000
Samantha L. Shorter ⁽¹⁾ <i>Former Chief Financial Officer and Corporate Secretary</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil	10,500 ⁽⁴⁾	10,500
Bobby S. Dhaliwal ⁽²⁾ <i>Chief Financial Officer and Corporate Secretary</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil	1,500 ⁽⁵⁾	1,500 ⁽⁵⁾

⁽¹⁾ Resigned as CFO and Corporate Secretary on June 14, 2022.

⁽²⁾ Appointed as CFO and Corporate Secretary on June 14, 2022.

⁽³⁾ Consulting fees accrued to Mr. Sutton.

⁽⁴⁾ Consulting fees accrued to Ms. Shorter (through Red Fern Consulting Ltd.).

⁽⁵⁾ Consulting fees accrued to Mr. Dhaliwal (through Red Fern Consulting Ltd.).

Director Compensation Table

The following table sets out the compensation of directors that are not also Named Executive Officers of the Issuer.

Name	Year	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
T. Joshua Taylor	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brent M. Clark	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Employment, Consulting and Management Agreements

None of the Issuer's Named Executive Officers are employees of the Issuer.

Brayden R. Sutton, the Issuer's President and Chief Executive Officer, has not entered into a written agreement with the Issuer. He provides his services to the Company on a consulting basis at established market rates and invoices the Issuer from time to time as services are provided. Mr. Sutton provides general management services to the Issuer and oversees day-to-day operations. His responsibilities include seeking out and negotiating strategic acquisitions and financing opportunities for the Issuer.

Bobby S. Dhaliwal, the Issuer's Chief Financial Officer and Corporate Secretary, has not entered into a written agreement with the Issuer. The Company currently pays, and expects to continue paying, CFO professional services fees of \$5,000 per month to Red Fern Consulting Ltd., a company at which Bobby S. Dhaliwal is an accountant and of which Samantha L. Shorter, a director of the Company, is a beneficial owner.

The compensation arrangements with Mr. Sutton and Mr. Dhaliwal contain no provisions with respect to change of control, severance, termination or constructive dismissal or rights to incremental payments in the event of any such occurrences.

Other than as described above, as of the date of this Prospectus, the Issuer has not entered into any employment or consulting agreements or other compensation arrangements with any directors or Named Executive Officers.

Stock Options and Other Compensation Securities

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Issuer to achieve the longer-term objectives of the Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Issuer; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Issuer. See "Options to Purchase Securities" above for a description of the material terms of the Issuer's Stock Option Plan.

There were no stock options or other compensation securities granted or issued during the most recent financial year. See "Options to Purchase Securities" above.

Proposed Compensation

During the 12 month period following the completion of the Offering, the Issuer expects to pay the following compensation to its Named Executive Officers and directors:

Name and Principal Position	Salary (\$)	All Other Compensation (\$)	Total Compensation (\$)
Brayden R. Sutton Director, Chief Executive Officer and President	Nil	90,000 ⁽¹⁾	90,000 ⁽¹⁾
Bobby S. Dhaliwal Chief Financial Officer and Corporate Secretary	Nil	60,000 ⁽²⁾	60,000 ⁽²⁾

Name and Principal Position	Salary (\$)	All Other Compensation (\$)	Total Compensation (\$)
Samantha L. Shorter Director and Former Chief Financial Officer and Corporate Secretary	Nil	Nil	Nil
T. Joshua Taylor Director	Nil	Nil	Nil
Brent M. Clark Director	Nil	Nil	Nil

(1) Estimated amounts payable based on invoices for services received from time to time from Brayden R. Sutton as services are rendered. See “*Employment, Consulting and Management Agreements*” above.

(2) Estimated amounts payable based on invoices for services received from time to time from Red Fern Consulting Ltd., a company at which Bobby S. Dhaliwal is an accountant and through which services are rendered to the Issuer. See “*Employment, Consulting and Management Agreements*” above.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, no existing or proposed director, executive officer or senior officer of the Issuer or any associate of any of them, was indebted to the Issuer as at June 30, 2022, or is currently indebted to the Issuer at the date of this Prospectus.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), NI 41-101 and Form 52-110F2 require the Issuer to disclose certain information relating to the Issuer’s audit committee (the “**Audit Committee**”) and its relationship with the Issuer’s independent auditors.

Audit Committee Charter

The text of the Audit Committee’s charter is attached hereto as Schedule A.

Composition of Audit Committee

The members of the Audit Committee are set out below:

T. Joshua Taylor (Chair)	Independent ⁽¹⁾	Financially literate ⁽³⁾
Brent M. Clark	Independent ⁽¹⁾	Financially literate ⁽³⁾
Samantha L. Shorter	Not Independent ⁽²⁾	Financially literate ⁽³⁾

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Issuer, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member’s independent judgment.

(2) Ms. Shorter is not independent as she served as Chief Financial Officer of the Issuer until June 14, 2022.

(3) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer’s financial statements.

Relevant Education and Experience

All members of the Issuer’s present Audit Committee have adequate education and experience that is relevant to their performance as an Audit Committee member. They have gained their experience by participating in the management of private and publicly traded companies other than the Issuer. In particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Issuer to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Issuer's financial statements or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

See “*Directors and Officers*” above for further details.

Audit Committee Oversight

The Audit Committee was established on July 21, 2022 and will, among other things, make recommendations to the Board of Directors to nominate or compensate an external auditor. As of the date of this Prospectus, the Audit Committee has not made any such recommendations for the Board to consider.

Reliance on Certain Exemptions

At no time since the commencement of the Issuer’s most recently completed financial period has the Issuer relied on the exemptions in Sections 2.4, 3.2, 3.4, 3.5, 3.6 or Part 8 of NI 52-110, or an exemption from subsections 3.3(2) of NI 52-110. The Issuer is relying on the exemption in Section 6.1 of NI 52-110 regarding the composition of the audit committee and reporting obligations.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis, as applicable. It is not anticipated that the Issuer will adopt specific policies and procedures.

External Auditor Service Fees

The aggregate fees billed or accrued by the external auditors to the Issuer for the period from incorporation on October 4, 2021 (date of incorporation) to June 30, 2022 were:

Audit Fees⁽¹⁾ (\$)	Audit-Related Fees⁽²⁾ (\$)	Tax Fees⁽³⁾ (\$)	All Other Fees⁽⁴⁾ (\$)
16,000 (accrued)	Nil	Nil	Nil

- (1) “Audit Fees” include fees necessary to perform the annual audit of the Issuer’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

Exemption

As per Section 223 of the *Business Corporations Act* (British Columbia), the Issuer is not a public company or a financial institution and as such, was not required to establish an Audit Committee at the first annual meeting following incorporation.

Corporate Governance

General

The Board of Directors believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* ("NP 58-201") provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Issuer. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") prescribes certain disclosure by the Issuer of its corporate governance practices. This disclosure is presented below.

Board of Directors

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors within the meaning of NI 52-110.

The Board is currently comprised of four (4) directors, of whom T. Joshua Taylor and Brent M. Clark are independent for the purposes of NI 52-110. Brayden R. Sutton is not independent as he serves as Chief Executive Officer and President of the Issuer. Samantha L. Shorter is not independent as she served as Chief Financial Officer of the Issuer until June 14, 2022. Because the Board is not comprised of a majority of independent directors, in order to facilitate its exercise of independent supervision over the Issuer's management, the Board carefully examines the issues before it, consults with outside counsel and other advisors as necessary and encourages the independent directors to regularly and independently confer amongst themselves.

Directorships

Certain of the Issuer's directors are also currently directors of other reporting issuers as follows:

Name	Reporting Issuer (Exchange/Market: Trading Symbol)
Brayden R. Sutton	The BC Bud Corporation (formerly Entheos Capital Corp.) (CSE: BCBC) Gold Hunter Resources Inc. (CSE: HUNT)
T. Joshua Taylor	The BC Bud Corporation (formerly Entheos Capital Corp.) (CSE: BCBC)
Brent M. Clark	Copper Ridge Exploration Inc. (CSE: COP)
Samantha L. Shorter	Clear Gold Resources Inc. (NEX: CFA) Orogen Royalties Inc. (TSXV: OGN) Pacific Empire Minerals Corp. (TSXV: PEMC) X1 Entertainment Group Inc. (formerly, X1 Esports and Entertainment Ltd. (CSE: XONE)

Board Mandate

The Board of Directors has not adopted a written mandate or code delineating the Board's roles and responsibilities, since it believes it is adequately governed by the requirements of applicable corporate and securities common and statute law which provide that the Board has responsibility for the stewardship of the Issuer. That stewardship includes responsibility for strategic planning, identification of the principal risks of the Issuer's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Issuer's internal control and management information systems.

Orientation and Continuing Education

When new directors are appointed they receive orientation, commensurate with their previous experience, on the Issuer's business, assets and industry and on the responsibilities of directors. Meetings of the Board are sometimes held at the Issuer's offices and, from time to time, are combined with presentations by the Issuer's management to give the directors additional insight into the Issuer's business. In addition, management of the Issuer makes itself available for discussion with all members of the Board.

Ethical Business Conduct

The Board of Directors has not adopted a formal code of business conduct and ethics. The Board has found that the fiduciary duties placed on individual directors by the Issuer's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Issuer.

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.

Given the Issuer's current stage of development and size of the Board, the Board is presently of the view that it functions effectively as a committee of the whole with respect to the nomination of directors. The entire Board will assess potential nominees and take responsibility for selecting new directors. Any nominees are expected to be generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the Chief Executive Officer of the Issuer.

Compensation

The Board is responsible for determining compensation for the directors of the Issuer to ensure it reflects the responsibilities and risks of being a director of a public company.

Other Board Committees

The Board has no committee other than the Audit Committee.

Assessments

Due to the minimal size of the Board of Directors, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

PLAN OF DISTRIBUTION

The Offering consists of up to 7,142,857 Offered Shares at a price of \$0.175 per Offered Share, to raise gross proceeds of up to \$1,250,000, and will be conducted through the Agent in the provinces of British Columbia, Alberta and Ontario.

Pursuant to the Agency Agreement, the Issuer has engaged the Agent as its exclusive agent for the purposes of the Offering. The Offering Price and terms of the Offering were established through negotiation between the Issuer and the Agent, in accordance with the policies of the Exchange. The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Offered Shares offered pursuant to the Offering in the provinces of British Columbia, Alberta and Ontario. This Prospectus qualifies the distribution of the Offered Shares to Subscribers in those jurisdictions. The Agent may offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers, and investment dealers who may or may not be offered part of the Agent's Commission or Compensation Options derived from this Offering.

The Agent may terminate its obligations under the Agency Agreement by notice in writing to the Issuer at any time before the Closing if, on the basis of its assessment of the state of the financial markets or the market for the Common Shares, the Common Shares cannot be marketed profitably or upon the occurrence of certain other stated events. The Agent may also terminate its obligations under the Agency Agreement at any time upon the occurrence of certain events, such as the breach of any term of the Agency Agreement by the Issuer.

The Agency Agreement provides that if the Agent exercises its right to terminate the Agency Agreement, then the Issuer will immediately issue a press release setting out particulars of the termination.

The Issuer has agreed to (i) pay the Agent (A) a cash Agent's Commission equal to 9% of the aggregate Offering Price of the Offered Shares sold under the Offering; and, if applicable, the Over-Allotment Option and (B) a cash Corporate Finance Fee of \$35,000, plus GST, half of which has been paid to the Agent as of the date of this Prospectus and the balance of which will be paid on Closing. In addition, upon successful completion of the Offering, the Agent is entitled to receive, as part of its remuneration, Compensation Options entitling the holder thereof to purchase that number of Common Shares equal to 9% of the number of Offered Shares issued pursuant to this Offering and if applicable, the Over-Allotment Option. The Compensation Options will be exercisable at a price of \$0.175 per Common Share for a period of 24 months from the Closing Day.

The Issuer has granted to the Agent an Over-Allotment Option exercisable, in whole or in part, up to 30 days following Closing, to sell an additional number of Offered Shares up to a maximum of 1,071,428 Offered Shares. The Over-Allotment Option and the Over-Allotment Option Shares are also qualified for distribution under this Prospectus.

Pursuant to NI 41-101 the aggregate number of securities which may be distributed under a prospectus to an Agent as compensation must not exceed 10% of the Offered Shares offered pursuant to this Prospectus, which in the case of this Offering (and assuming the exercise of the Over-Allotment Option in full) is 739,285 securities. For the purposes of this Offering, up to an aggregate of 739,285 Compensation Options are Qualified Compensation Securities and are qualified for distribution by this Prospectus.

This Offering is subject to the completion of a minimum subscription of 4,285,714 Offered Shares for gross proceeds to the Issuer of \$750,000, which proceeds shall be held by the Agent pending the completion of the Offering. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the final prospectus, all subscription monies will be returned to Subscribers without interest or deduction.

The Issuer has applied to list its Common Shares on the CSE. Listing of the Common Shares on the CSE will be subject to the Issuer fulfilling all of the requirements of the CSE. Confirmation of the Listing of the Common Shares on the Exchange as of the Closing Day is a condition of Closing.

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

Subscriptions for the Offered Shares will be received and subject to rejection or allotment in whole or in part by the Issuer and the right is reserved to close the subscription books at any time. Upon rejection of a subscription, the subscription price and the subscription agreement will be returned to the Subscriber forthwith without interest or deduction.

This Prospectus also qualifies the distribution of the 1,000,000 Common Shares issuable to the Optionors in respect of the Wing Pond Property as set out under the heading "*General Development of the Business*" above.

RISK FACTORS

The Issuer is in the business of exploring mineral properties, which is a highly speculative endeavor. A

purchase of any of the securities offered hereunder involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities offered hereunder should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Issuer's securities prior to purchasing any of the securities offered hereunder.

Insufficient Capital

The Issuer does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Issuer will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Issuer will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Issuer's interest in the Wing Pond Property.

Financing Risks

The Issuer has no history of earnings and, due to the nature of its business, there can be no assurance that the Issuer will be profitable. The Issuer has paid no dividends on its Common Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Issuer is through the sale of its Common Shares. Even if the results of exploration are encouraging, the Issuer may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on any of its properties. While the Issuer may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on terms acceptable to the Issuer, or at all. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Inflation and Cost Management

The Issuer's operating costs could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices, and additional government intervention through stimulus spending or additional regulations. The Issuer's inability to manage costs may impact project returns and future development decisions, which could have a material adverse effect on its financial performance and funds from operations.

Limited Operating History and Negative Operating Cash Flow

The Issuer has no history of earnings. There are no known commercial quantities of mineral reserves on the Wing Pond Property. The purpose of this Offering is to raise funds to carry out exploration and development on the Wing Pond Property with the objective of establishing economic quantities of mineral reserves.

To the extent that the Issuer has a negative operating cash flow in future periods, the Issuer may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Issuer may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Issuer.

Resale of Shares

The continued operation of the Issuer will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Issuer is unable to generate such revenues or obtain such additional financing, any investment in the Issuer may be lost. In such event, the probability of resale of

the Common Shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

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

Before this Offering, there has been no public market for the Issuer's Common Shares. An active public market for the Common Shares might not develop or be sustained after this Offering. The Offering Price of the Offered Shares has been determined by negotiations between the Issuer and representatives of the Agent, and such Offering Price will not necessarily reflect the prevailing market price of the Common Shares following this Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the Offering Price to the public.

Property Interests

The Issuer does not own the mineral rights pertaining to the Wing Pond Property. Rather, it holds an option to acquire a 100% interest. There is no guarantee the Issuer will be able to raise sufficient funding in the future to explore and develop the Wing Pond Property so as to maintain its interests therein. If the Issuer loses or abandons its interest in the Wing Pond Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Issuer, whether by way of option or otherwise, should the Issuer wish to acquire any additional properties.

In the event that the Issuer acquires a 100% interest in the Wing Pond Property, there is no guarantee that title to the Wing Pond Property will not be challenged or impugned. The Issuer's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal or indigenous land claims or title may be affected by undetected defects. Surveys have not been carried out on any of the Issuer's mineral properties, therefore, in accordance with the laws of the jurisdiction in which such properties are situated; their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Issuer can give no assurance as to the validity of title of the Issuer to those lands or the size of such mineral lands.

Permits and Government Regulations

The future operations of the Issuer will require certain permits and licenses from various federal, provincial and local governmental Authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters, including the requirement to obtain a forestry permit, mainly for trenching and drilling activities. In particular, in order to conduct its proposed exploration programs on the Property, the Issuer will require the following permits and licenses from the Newfoundland and Labrador Department of Natural Resources and other governmental departments and agencies having jurisdiction:

Exploration Approval Permit: This permit would cover prospecting, rock and soil geochemistry, line cutting, trenching, bulk sampling, airborne and/or ground geophysical surveys, fuel storage, ATV usage and diamond drilling.

Timber Rights Permit: This permit would cover the removal of timber for line cutting, diamond drilling site preparation and trenching.

Licence to Occupy: This permit would be required if a camp location was to be used for a period of

time longer than what was allowed as part of the Exploration Approval Permit.

Temporary Water Use Permit. This permit would allow the use of water, from a specified location, for camp and drilling-related needs.

However, the requirements of such permits, licences and approvals are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Issuer will be able to obtain the above mentioned permits or any other necessary permits, licenses and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Wing Pond Property. Furthermore, although in the normal course the required permits and licenses are issued within a period of four to six weeks from the date of application, there can be no assurance that the issuance of the necessary permits and licenses will not be delayed due to circumstances beyond the Issuer's control. The Issuer currently does not have any permits in place.

Surface Rights

Surface rights are not included with minerals rights in the province of Newfoundland and Labrador. In order to develop future mineral resources on the Property, it is necessary to obtain title to the surface rights to the area of the mining lease and areas for siting the required infrastructure incidental to the mineral development. Accordingly, in order to proceed with mineral exploration or potential mine development from the Property, the Issuer will be required to submit an application to the applicable agencies of the government of Newfoundland and Labrador for a surface lease. Although there are currently no known surface rights holders within the Property boundaries that would inhibit mineral exploration or potential mine development. There is a risk that, due to circumstances beyond the Issuer's control, the Issuer will not be able to obtain the required surface rights in a timely manner or at all.

First Nations Land Claims

First Nations rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations title to lands outside of reserve land. The Wing Pond Property may now or in the future be the subject of aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Issuer's ownership interest in the Wing Pond Property 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 Wing Pond Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Issuer's activities. Even in the absence of such recognition, the Issuer may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on the Wing Pond Property, there is no assurance that the Issuer will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Wing Pond Property.

Exploration and Development

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

There is no assurance that the Issuer's mineral exploration and development activities will result in any discoveries of commercial bodies of ore, even in the event of the successful completion by the Issuer of phase 1 of its exploration program. The long-term profitability of the Issuer's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. In the event the results of phase 1 of the exploration program do not warrant the completion of phase 2, the Issuer may be required to acquire and focus its operations on one or more additional mineral properties that the Issuer may acquire in the future. There can be no assurance that any such properties will be available for acquisition, by the Issuer, or that, if available, the terms of the acquisition will be favourable to the Issuer.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks and, in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Issuer may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Issuer.

Environmental Laws and Regulations

Environmental laws and regulations may affect the operations of the Issuer. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Issuer for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Issuer generally relies on recognized designers and development contractors from which the Issuer will, in the first instance, seek indemnities. The Issuer intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Issuer's operations more expensive.

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

No Commercial Ore

The Wing Pond Property on which a portion of the proceeds of the Offering is to be expended does not contain any known amounts of commercial ore.

Competition

The mining industry is intensely competitive in all its phases and the Issuer competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Issuer's ability to acquire suitable properties or prospects in the future.

Management

The success of the Issuer is currently largely dependent on the performance of its officers. The loss of the services of these persons will have a materially adverse effect on the Issuer's business and prospects. There is no assurance the Issuer can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Issuer and

its prospects.

Fluctuating Mineral Prices

The Issuer's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Issuer may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Issuer's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Issuer may realize from its operations, since most mineral commodities are sold in the world market in United States dollars.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Issuer. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia).

Some of the directors and officers of the Issuer are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Issuer and their duties to the other companies on whose boards they serve, the directors and officers of the Issuer have agreed to the following:

- (a) participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
- (b) no commissions or other extraordinary consideration will be paid to such directors and officers; and
- (c) business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Issuer except on the same or better terms than the basis on which they are offered to third party participants.

Dividends

The Issuer does not anticipate paying any dividends on its Common Shares in the foreseeable future.

COVID-19 Pandemic

The Issuer may incur additional expenses and delays due to the impact of the global pandemic caused by COVID-19 on the capital markets and general market conditions. Such expenses and delays may result in material adverse impact in connection with the Issuer's ability to complete the Offering, its ability to undertake its proposed mineral exploration and development activities, and its ability to obtain additional necessary capital in the future. In particular, while the precise impact of the COVID-19 outbreak on the Issuer or the Property remains unknown, it may result in travel bans, closure of assay labs, work delays, difficulties for contractors and employees getting to and from the Property and divert the attention of management, all of which, in turn, could have a negative impact on the Issuer's ability to implement the work program on the Property in a timely manner, the cost of the recommended work program and the business of the Issuer in general.

In addition, the impacts of COVID-19 have resulted in volatility and disruptions in the supply and demand for minerals and metals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. At this point, the extent to which COVID-19 may impact the Issuer is uncertain; however, it is possible that COVID-19 may have a material adverse effect on the Issuer's business, results of operations and financial condition.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Issuer's ability to raise capital through future sales of Common Shares. The Issuer has previously issued Common Shares at an effective price per share which is lower than the effective price of the Common Shares qualified under this prospectus. Accordingly, a significant number of shareholders of the Issuer have an investment profit in the Common Shares that they may seek to liquidate

PROMOTERS

Brayden R. Sutton is considered to be a promoter of the Issuer in that he took the initiative in organizing the business of the Issuer. Mr. Sutton beneficially holds, directly or indirectly, a total of 2,466,666 (26.91%) of the Issuer's currently issued and outstanding Common shares. See "*Principal Shareholders*" above for further details.

LEGAL PROCEEDINGS

Neither the Issuer nor the Wing Pond Property is or has been the subject of any legal proceedings, penalties or sanctions imposed by a court or regulatory Authority, or settlement agreements before a court or regulatory, and no such legal proceedings, penalties or sanctions are known by the Issuer to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

During the period from October 4, 2021 (date of incorporation) to June 30, 2022, the Issuer accrued \$30,000 in consulting fees to the CEO of the Issuer, \$1,500 in consulting fees to the CFO of the Issuer, and \$10,500 in consulting fees to the former CFO of the Issuer.

One of the Optionors of the Wing Pond Property under the Property Option Agreement, Canal Front Investments Inc., is wholly-owned by Mr. Blair Naughty, who as at the date of this Prospectus owns 10.91% of the outstanding Common Shares of the Issuer, which makes him a "Related Person" of the Issuer under Exchange policies. The Wing Pond Property was staked on behalf of the Optionors in 2021 at a cost of approximately \$7,000 (not including deposit fees). Canal Front Investments Inc. will receive additional cash and Common Shares under the Property Option Agreement as described under "*General Development of the Business – Acquisitions*".

Except as set out above, the directors, senior officers and principal shareholders of the Issuer, a person or company that beneficially owns or controls or directs, directly or indirectly more than 10% of the Common Shares of the Issuer, or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transactions in which the Issuer has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Issuer.

RELATIONSHIP BETWEEN THE ISSUER AND AGENT

The Issuer is not a related party or connected party to the Agent (as such terms are defined in National Instrument 33-105 - *Underwriting Conflicts*).

AUDITORS

The auditor of the Issuer is Smythe LLP, Chartered Professional Accountants, of Suite 1700, 475 Howe Street, Vancouver, British Columbia, V6C 2B3.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Issuer is TSX Trust Company, of Suite 2700, 650 West Georgia Street, Vancouver, British Columbia, V6B 4N9.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Issuer since the incorporation of the Issuer to the date of this Prospectus that are still in effect:

1. Property Option Agreement made between the Issuer and the Optionors, dated November 9, 2021, as amended October 28, 2022, referred to under “*General Development of the Business – Acquisitions – Wing Pond Property*”.
2. Administrative Services Agreement made between the Issuer and Matalia Investments Ltd. dated October 4, 2021. Matalia Investments Ltd. (“**Matalia**”) is a private company controlled by Robert Coltura. Matalia provides administrative services to the Issuer for a fee of \$3,000 per month. These services include general administrative services and advice to the Board of Directors, management of the Issuer’s finances (pursuant to directions from the Issuer), and general liaison and instruction of the Issuer’s legal, accounting and financial advisors on behalf of the Issuer. The agreement has no fixed term and may be terminated by either party upon notice to the other, subject to three months notice of termination or payment of three months fees to Matalia under the agreement if terminated by the Issuer.
3. Stock Option Plan approved by the Board of Directors on July 21, 2022 referred to under “*Options to Purchase Securities*”.
4. Escrow Agreement among the Issuer, TSX Trust Company and the Principals of the Issuer made as of December 22, 2022 referred to under “*Escrowed Shares*”.
5. Agency Agreement between the Issuer and Leede Jones Gable Inc., dated for reference December 22, 2022 referred to under “*Plan of Distribution*”.

A copy of any material contract and the Technical Report may be inspected during the Offering of the Offered Shares being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Issuer’s offices at 9285 203B Street, Langley, British Columbia, V1M 2L9. As well, copies of the material contracts and the Technical Report are available for viewing on SEDAR located at: www.sedar.com.

EXPERTS

Except as disclosed below, no person or company whose profession or business gives Authority to a report, valuation, statement or opinion and who is named as having prepared or certified a part of this Prospectus or 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 Issuer or any associate or affiliate of the Issuer.

Certain legal matters related to this Offering will be passed upon on behalf of the Issuer by Harper Grey LLP and by DS Lawyers Canada LLP on behalf of the Agent.

Luke van der Meer, B.Sc., P.Geo., the Author of the Technical Report on the Wing Pond Property, is independent from the Issuer within the meaning of NI 43-101.

Smythe LLP, Chartered Professional Accountants, is the independent auditors of the Issuer. Smythe LLP is independent of Sorrento Resources Ltd., in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

FINANCIAL STATEMENTS

Attached as Schedules B and C and forming part of this Prospectus are the audited financial statements of the Issuer for the period October 4, 2021 (date of incorporation) to June 30, 2022, and the unaudited financial statements for the period ended September 30, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Attached as Schedule D and forming part of this Prospectus is the Management's Discussion and Analysis for the period October 4, 2021 (date of incorporation) to June 30, 2022 and for the three months ended September 30, 2022.

SCHEDULE A

Sorrento Resources Ltd. (the "Company")

AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of the Company is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company's financial statements;
- (b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;
- (c) the qualifications, independence and performance of the Company's auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company's internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Company's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. A majority of the Committee's members must be "independent" and "financially literate" as such terms are defined in applicable securities legislation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

4. Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

5. Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Canadian Securities Exchange and shall recommend changes to the Board thereon.

6. Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

7. Duties and Responsibilities

(a) Financial Reporting

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, MD&A and related news releases, before they are released.

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the

Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;

- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) **Auditor**

The Committee is responsible for recommending to the Board:

- (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- (ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) **Relationship with the Auditor**

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) **Accounting Policies**

The Committee is responsible for:

- (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) **Risk and Uncertainty**

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

(f) **Controls and Control Deviations**

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) Compliance with Laws and Regulations

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

(h) Related Party Transactions

All transactions between the Company and a related party (each a "related party transaction"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the Securities Act (British Columbia)), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

8. Non-Audit Services

All non-audit services to be provided to the Company or its subsidiary entities by the Company's auditor must be pre-approved by the Committee.

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chair of the Audit Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

10. Procedure For Reporting of Fraud or Control Weaknesses

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Company that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Company's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Company that the employee (the "whistleblower") has anonymous and direct access to the Chair of the Audit Committee. Should a new Chair be appointed prior to the updating of this document, current Chair will ensure that the whistleblower is able to reach the new Chair in a timely manner. In the event that the Chair of the Audit Committee cannot be reached, the whistleblower should contact the Chair of the Board of Directors. Access to the names and place of employment of the Company's Directors can be found in the Company's website.

In addition, it is the policy of the Company that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

11. Hiring Policies

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.

SCHEDULE B

**Audited Financial Statements for the
Period from October 4, 2021 (date of incorporation) to June 30, 2022**

See attached.

SORRENTO RESOURCES LTD.

FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

INDEPENDENT AUDITORS' REPORT

TO THE DIRECTORS OF SORRENTO RESOURCES LTD.

Opinion

We have audited the financial statements of Sorrento Resources Ltd. (the "Company"), which comprise:

- the statement of financial position as at June 30, 2022;
- the statement of loss and comprehensive loss for the period from incorporation on October 4, 2021 to June 30, 2022;
- the statement of changes in shareholders' equity for the period from incorporation on October 4, 2021 to June 30, 2022;
- the statement of cash flows for the period from incorporation on October 4, 2021 to June 30, 2022; and
- the 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 June 30, 2022, and its financial performance and cash flows for the period from incorporation on October 4, 2021 to June 30, 2022, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$225,379 during the period from incorporation on October 4, 2021 to June 30, 2022 and, as of that date, has an accumulated deficit of \$225,379. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

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

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

Auditors' 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 auditors' 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 auditors' 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 auditors' 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.

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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 auditors' report is Michelle Chi Wai So.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia

November 24, 2022

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SORRENTO RESOURCES LTD.
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Period from incorporation on October 4, 2021 to June 30, 2022
EXPENSES	
Consulting fees (Note 6)	\$ 33,000
Exploration expenses (Note 4)	133,025
Management fees (Note 6)	30,000
Office and miscellaneous	8,746
Professional fees	<u>20,608</u>
Loss and comprehensive loss for the period	\$ (225,379)
Basic and diluted loss per common share	\$ (0.05)
Weighted average number of common shares outstanding	<u>4,640,644</u>

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

SORRENTO RESOURCES LTD.
STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)

**Period from
incorporation on
October 4, 2021
to June 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the period \$ (225,379)

Changes in non-cash working capital items:

Accounts receivable	(8,566)
Prepaid expenses	(2,000)
Accrued liabilities	<u>62,369</u>

Net cash used in operating activities (173,576)

CASH FLOWS FROM INVESTING ACTIVITY

Mineral property interests (35,000)

Net cash used in investing activity (35,000)

CASH FLOWS FROM FINANCING ACTIVITIES

Private placements 512,000

Share issuance costs (8,059)

Deferred financing costs (33,375)

Net cash provided by financing activities 470,566

Change in cash for the period 261,990

Cash, beginning of period -

Cash, end of period \$ 261,990

SUPPLEMENTARY CASH FLOW INFORMATION

Cash paid for taxes	\$ -
Cash paid for interest	\$ -

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

SORRENTO RESOURCES LTD.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Common Shares			
	Number	Amounts	Deficit	Total
Balance, October 4, 2021 (incorporation)	1,200,000	\$ 6,000	\$ -	\$ 6,000
Private placement – flow through	5,300,000	106,000	-	106,000
Private placement	2,666,666	400,000	-	400,000
Share issuance costs	-	(8,059)	-	(8,059)
Net loss for the period	-	-	(225,379)	(225,379)
Balance, June 30, 2022	9,166,666	\$ 503,941	\$ (225,379)	\$ 278,562

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

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

1. NATURE OF OPERATIONS AND GOING CONCERN

Sorrento Resources Ltd. (the “Company”) was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on October 4, 2021. The Company maintains its registered office at 3200 – 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4P7. The head office and principal address of the Company is 9285 – 203B Street, Langley, British Columbia, Canada V1M 2L9. The Company is in the business of exploration, development and exploitation of mineral resources in Canada.

The recoverability of amounts shown as mineral properties is dependent upon the discovery of economically recoverable reserves, the Company’s ability to obtain financing to develop the properties and the ultimate realization of profits through future production or sale of the properties. Realized values may be substantially different than carrying values as recorded in these financial statements.

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

The Company reported a net loss for the period from incorporation on October 4, 2021 to June 30, 2022 of \$225,379 and as of that date had an accumulated deficit of \$225,379. The Company’s ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management may be required to curtail certain expenses. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. Accordingly, these financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Since January 2020, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility. The duration and enduring impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. With the uncertainty of the length and severity of these developments, particularly the challenge of traveling to access the project due to travel and public health restrictions, the impact of COVID-19 is difficult to estimate; however, it is believed to have a minimal impact on the Company’s activities.

2. BASIS OF PREPARATION

Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements were approved and authorized for issuance by the Board of Directors on November 24, 2022.

Basis of presentation

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

The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

2. BASIS OF PREPARATION (cont'd...)

Use of judgments and estimates

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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

- **Going concern**

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

- **Recovery of capitalized mineral property costs**

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

- **Treatment of deferred financing costs**

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Management applies significant judgment to determine whether the completion of the transaction is considered likely.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash

The Company considers cash to include amounts held in banks. The Company places its cash with major financial institutions in Canada.

Mineral Property

- i) **Exploration and Evaluation**

Staking costs, property option payments, and other costs associated with acquiring exploration and evaluation assets are capitalized and classified as non-current assets, whereas exploration and evaluation expenditures are recognized as expenses as they are incurred during the year.

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Mineral Property (cont'd...)

i) Exploration and Evaluation (cont'd...)

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all non-recoverable costs associated with the project net of any impairment provisions are written off.

ii) Development

Upon completion of a technical feasibility study and when commercial viability is demonstrated, capitalized exploration and evaluation assets are transferred to and classified as mine under development. Costs associated with the commissioning of new assets incurred in the period before they are operating in the way intended by management, are capitalized. Development expenditures are net of the proceeds of the sale of metals from ore extracted during the development phase. Interest on borrowings related to the construction and development of assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete. The costs of removing overburden to access ore are capitalized as pre-production stripping costs and classified as a component of property, plant and equipment.

iii) Impairment

The carrying value of all categories of mineral property are reviewed at least annually by management for indicators that the recoverable amount may be less than the carrying value. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash-generating unit ("CGU"), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

Value-in-use is based on estimates of discounted future cash flows expected to be recovered from an asset or CGU through their use. Estimated future cash flows are calculated using estimates of future recoverable reserves and resources, future commodity prices and expected future operating and capital costs. Once calculated, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Fair value less costs to sell is the amount obtainable from either quotes from an active market or the sale of an asset or CGU in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense.

Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit or group of units on a pro rata basis. Impairment losses are recognized in other expenses. Assumptions, such as commodity prices, discount rate, and expenditures, underlying the fair value estimates are subject to risk uncertainties. Impairment charges are recorded in the reporting period in which determination of impairment is made by management.

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

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Asset retirement obligation

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the decommissioning and reclamation of mine properties, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. A liability is recognized at the time environmental disturbance occurs and the resulting costs are capitalized to the corresponding asset. The provision for asset retirement obligations is estimated using expected cash flows and is discounted at the applicable risk-free interest rate. The capitalized amount is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows.

In subsequent periods, the liability is adjusted for any changes in the amount or timing of the estimated future cash costs and for the accretion of discounted underlying future cash flows. The unwinding of the effect of discounting the provision is recorded as an expense in profit or loss.

Share Capital

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on estimated fair value of the common shares at the time the units are priced, and any excess is allocated to warrants using the residual value approach.

Shares issued as consideration for goods or services provided to those other than employees or others providing similar services are measured at the fair value of the goods or services received, except where the fair value cannot be measured reliably, in which case they are measured at the fair value of the equity instruments granted.

Flow-through Shares

The Company may from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors.

On issuance, the Company separates the flow-through common share into i) a flow-through common share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability; and ii) share capital. When the resource property expenditures are incurred, the Company derecognizes the liability on a proportionate basis and recognizes the amount in profit or loss.

Where the flow-through common share is issued as part of a unit, the value is first allocated between the unit and the flow-through premium, and then bifurcated between the common share and the warrant on a residual value basis. As qualified expenses are incurred the Company relieves the liability and recognizes the premium in profit or loss as other income.

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of shares outstanding in the period. For all periods presented, the loss available to common shareholders equals the reported loss. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In the Company's case, diluted loss per share is the same as basic loss per share, as the effects of including all outstanding options and warrants would be anti-dilutive. Shares subject to escrow restrictions are excluded from the weighted average number of common shares unless their release is subject only to the passage of time.

Income taxes

The Company uses the balance sheet method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. 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 expected to be recovered or settled. Deferred income tax assets also result from unused loss carry-forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Financial instruments

Financial assets

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

Financial assets at fair value through profit or loss

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

Amortized cost

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

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial assets (cont'd...)

Fair value through other comprehensive income ("OCI")

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

Financial liabilities

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

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

Fair value hierarchy

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

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

New standards not yet adopted

IAS 1 – Presentation of Financial Statements: The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual agreement in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2023 and are not expected to have a significant impact on the Company's financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates have been assessed by the Company and are not expected to have a significant impact on the Company's financial statements. The Company has not early adopted these standards.

SORRENTO RESOURCES LTD.**NOTES TO THE FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022**4. MINERAL PROPERTY****Wing Pond Project, Newfoundland, Canada**

On November 9, 2021, the Company entered into an option agreement (the “Wing Pond Agreement”), with unrelated parties, to acquire a 100% interest in the 462 mining claims located in Newfoundland.

In order to exercise the option and acquire the Wing Pond property, the Company must complete over a period of two years the following payments:

- Make a cash payment of \$35,000 within 21 days of signing the Wing Pong Agreement (paid);
- Incur \$90,000 of exploration expenditures on the claims and deliver the technical report, on or before November 30, 2022 (completed);
- Issue 1,000,000 common shares to the optionors on or before the earlier of (i) listing of the optionee’s common shares on the Canadian Securities Exchange, and (ii) November 30, 2022; and
- Make a further cash payment of \$50,000 and issue a further 2,000,000 common shares to the optionors and incur a further \$200,000 of exploration expenditures on the claims on or before the earlier of (i) the first anniversary of the listing date, and (ii) November 30, 2023.

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

Mineral Property Interests

Details of mineral property balance is as follows:

	Wing Pond Project
Balance, October 4, 2021 (incorporation)	\$ -
Option payments – cash	<u>35,000</u>
Balance, June 30, 2022	<u>\$ 35,000</u>

Exploration Expenditures

The Company expended the following exploration and evaluation expenditures:

	Period from incorporation on October 4, 2021 to June 30, 2022
Field office	\$ 6,605
Geological and geophysical	7,000
Surveying	70,875
Technical report	12,500
Travel, logistics & camp costs	<u>36,045</u>
Total expenditures for the period	<u>\$ 133,025</u>

SORRENTO RESOURCES LTD.**NOTES TO THE FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022**5. SHARE CAPITAL**

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

Period ended June 30, 2022

On October 4, 2021, the Company issued 1,200,000 common shares on incorporation at a price of \$0.005 per common share for gross proceeds of \$6,000.

On December 14, 2021, the Company completed a private placement of 5,300,000 flow-through units, consisting of one flow-through share and one-half common share purchase warrant, at \$0.02 for gross proceeds of \$106,000 and incurred share issuance costs of \$2,282. There was no flow-through premium allocated to the private placement.

On May 9, 2022, the Company completed a private placement of 2,666,666 common shares at \$0.15 for gross proceeds of \$400,000 and incurred share issuance costs of \$5,777.

c) Warrants

The following is a summary of the changes to the Company's outstanding warrants:

	Number of Warrants	Weighted Average Exercise Price
Balance, October 4, 2021	-	\$ -
Granted	<u>2,650,000</u>	<u>0.05</u>
Balance, June 30, 2022	2,650,000	\$ 0.05

Summary of warrants outstanding as at June 30, 2022:

Number Outstanding	Exercise Price \$	Expiry Date
1,000,000	0.05	November 19, 2024
300,000	0.05	December 3, 2024
1,350,000	0.05	December 14, 2024
<u>2,650,000</u>		

SORRENTO RESOURCES LTD.**NOTES TO THE FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022**6. RELATED PARTY TRANSACTIONS**

Key management personnel are comprised of the officers and directors of the Company. Payments to key management personnel are as follows:

	Period from incorporation on October 4, 2021 to June 30, 2022
Payments to key management personnel	
Consulting fees	\$ 12,000 ⁽¹⁾
Management fees	\$ 30,000

(1) Consulting fees include fees to the former CFO of \$10,500.

As at June 30, 2022, \$42,000 was included in accrued liabilities owing to key management personnel. These amounts are non-interest bearing and due on demand.

7. INCOME TAXES

	Period from incorporation on October 4, 2021 to June 30, 2022
Income before income tax	\$ (225,379)
Statutory income tax rate	<u>27.00%</u>
Expected income tax recovery	\$ (61,000)
Share issuance costs	(2,000)
Changes in benefits not recognized	<u>63,000</u>
Income tax expense (recovery)	<u>\$ -</u>

The Company recognizes tax benefits on losses or other deductible amounts where the probable criteria for the recognition of deferred tax assets has been met. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	Period from incorporation on October 4, 2021 to June 30, 2022
Non-capital losses	\$ 25,000
Exploration and evaluation assets	6,000
Share issue costs and other	<u>2,000</u>
Unrecognized deductible temporary differences	<u>\$ 33,000</u>

As at June 30, 2022, the Company has Canadian non-capital losses of \$94,000 that may be applied to reduce future taxable income. If these losses are not used to offset future income, they will expire through the year ended June 30, 2042.

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

8. FINANCIAL INSTRUMENTS AND RISK MANAGERMENTS

Financial instruments

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

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. As the Company's policy is to limit cash holdings to instruments issued by a major Canadian bank, the credit risk is considered by management to be negligible. The Company considers credit risk with respect to these amounts to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at June 30, 2022, the Company had working capital of \$210,187. The Company's financial obligations are limited to accrued liabilities, which have contractual maturities of less than a year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk as at June 30, 2022.

Commodity price risk

The Company's future success is linked to the price of minerals because the value of mineral resources and the Company's future revenues are tied to prices of minerals. Worldwide production levels also affect the prices. The prices of minerals are occasionally subject to rapid short-term changes due to speculative activities.

Foreign currency risk

As at June 30, 2022, the Company did not have any accounts in foreign currencies and considers foreign currency risk to be insignificant. The Company may be exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency in the future.

SORRENTO RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 4, 2021 TO JUNE 30, 2022

9. CAPITAL MANAGEMENT

The Company's capital management policy is to maintain a strong but flexible capital structure that optimizes the cost of capital, creditor and market confidence while sustaining the future development of the business.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. The Company's capital structure includes shareholders' equity of \$278,562 as at June 30, 2022. In order to maintain or adjust the capital structure, the Company may from time to time issue shares, seek debt financing and adjust its capital spending to manage current and working capital requirements. The Company did not change its capital management policy during the period from incorporation on October 4, 2021 to June 30, 2022. The Company is not subject to externally imposed capital requirements.

10. PROPOSED OFFERING

The Company has entered into an agreement with Leede Jones Gable Inc. (the "Agent") to act as lead agent and sole bookrunner for the Company in connection with the initial public offering (the "Offering") of the Company and concurrent listing of the common shares in the capital of the Company on the Canadian Securities Exchange.

The proposed offering will be for a minimum of 4,285,714 common shares at an offering price of \$0.175 per common share to a maximum of 7,142,857 common shares. The Agent has a greenshoe option exercisable in whole or in part at any time up to 30 days following the closing date of the Offering to sell up to an additional 15% worth of common shares sold pursuant to the Offering at a price of \$0.175 per common share.

The Company will pay the Agent a cash commission of 9% of the gross proceeds of the Offering. The Company will also issue options to the Agent to purchase such number of common shares as is equal to 9% of the total number of common shares sold under the Offering at an exercise price of \$0.175 per common share for a period of 24 months from the closing date.

Additionally, the Agent will be paid a corporate finance fee of \$35,000 in cash, plus applicable taxes.

As at June 30, 2022, the Company had incurred costs of \$33,375 related to the Offering, which are capitalized as deferred financing costs.

11. SEGMENTED INFORMATION

The Company has one operating segment, the exploration and development of mineral resources, and all non-current assets are located in Canada.

SCHEDULE C

**Unaudited Financial Statements for the
Period Ended September 30, 2022**

See attached.

SORRENTO RESOURCES LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

SORRENTO RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

AS AT	September 30, 2022	June 30, 2022
ASSETS		
Current		
Cash	\$ 179,861	\$ 261,990
Accounts receivable	4,220	8,566
Prepaid expenses	<u>8,389</u>	<u>2,000</u>
	192,470	272,556
Mineral property (Note 3)	35,000	35,000
Deferred financing costs (Note 8)	<u>96,357</u>	<u>33,375</u>
	<u>\$ 323,827</u>	<u>\$ 340,931</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 5)	\$ <u>97,344</u>	\$ <u>62,369</u>
	<u>97,344</u>	<u>62,369</u>
Shareholders' equity		
Share capital (Note 4)	503,941	503,941
Deficit	<u>(277,458)</u>	<u>(225,379)</u>
	<u>226,483</u>	<u>278,562</u>
	<u>\$ 323,827</u>	<u>\$ 340,931</u>

Approved and authorized by the Board of Directors on November 24, 2022.

“Brayden Sutton” Director “Samantha Shorter” Director

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

SORRENTO RESOURCES LTD.
CONDENSED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	For the three months ended September 30, 2022
EXPENSES	
Consulting fees (Note 5)	\$ 13,500
Exploration expenses (Note 3)	13,533
Management fees (Note 5)	15,000
Office and miscellaneous	3,741
Professional fees	<u>6,305</u>
Loss and comprehensive loss for the period	\$ (52,079)
Basic and diluted loss per common share	\$ (0.01)
Weighted average number of common shares outstanding	9,166,666

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

SORRENTO RESOURCES LTD.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

**For the three
months ended
September 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the period	\$	(52,079)
Changes in non-cash working capital items:		
Accounts receivable		4,346
Prepaid expenses		(6,389)
Accounts payable and accrued liabilities		<u>10,975</u>
Net cash used in operating activities		<u>(43,147)</u>

CASH FLOWS FROM FINANCING ACTIVITY

Deferred financing costs		<u>(38,982)</u>
Net cash used in financing activity		<u>(38,982)</u>

Change in cash for the period (82,129)

Cash, beginning of period 261,990

Cash, end of period \$ 179,861

SUPPLEMENTARY CASH FLOW INFORMATION

Cash paid for taxes	\$	-
Cash paid for interest	\$	-

In the three months ended September 30, 2022, the Company incurred deferred financing costs of \$24,000 through accounts payable and accrued liabilities.

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

SORRENTO RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Common Shares			
	Number	Amounts	Deficit	Total
Balance, October 4, 2021 (incorporation)	1,200,000	\$ 6,000	\$ -	\$ 6,000
Private placement – flow through	5,300,000	106,000	-	106,000
Private placement	2,666,666	400,000	-	400,000
Share issuance costs	-	(8,059)	-	(8,059)
Net loss for the period	-	-	(225,379)	(225,379)
Balance, June 30, 2022	9,166,666	503,941	(225,379)	278,562
Net loss for the period	-	-	(52,079)	(52,079)
Balance, September 30, 2022	9,166,666	\$ 503,941	\$ (277,458)	\$ 226,483

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

SORRENTO RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

1. NATURE OF OPERATIONS AND GOING CONCERN

Sorrento Resources Ltd. (the “Company”) was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on October 4, 2021. The Company maintains its registered office at 3200 – 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4P7. The head office and principal address of the Company is 9285 – 203B Street, Langley, British Columbia, Canada V1M 2L9. The Company is in the business of exploration, development and exploitation of mineral resources in Canada.

The recoverability of amounts shown as mineral properties is dependent upon the discovery of economically recoverable reserves, the Company’s ability to obtain financing to develop the properties and the ultimate realization of profits through future production or sale of the properties. Realized values may be substantially different than carrying values as recorded in these condensed interim financial statements.

These condensed interim financial statements have been prepared on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has a working capital of \$95,126 (June 30, 2022 - \$210,187) and accumulated deficit of \$277,458 (June 30, 2022 - \$225,379) as at September 30, 2022. The Company reported a net loss of \$52,079 and negative cashflows from operations of \$43,147 for the three-month period ended September 30, 2022. The Company’s ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management may be required to curtail certain expenses. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. Accordingly, these condensed interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Since January 2020, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility. The duration and enduring impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. With the uncertainty of the length and severity of these developments, particularly the challenge of traveling to access the project due to travel and public health restrictions, the impact of COVID-19 is difficult to estimate; however, it is believed to have a minimal impact on the Company’s activities.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

The condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their value.

SORRENTO RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

2. BASIS OF PREPARATION (cont'd...)

Basis of presentation

In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

Use of judgments and estimates

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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

- **Going concern**

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

- **Recovery of capitalized mineral property costs**

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

- **Treatment of deferred financing costs**

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Management applies significant judgment to determine whether the completion of the transaction is considered likely.

SORRENTO RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

3. MINERAL PROPERTY

Wing Pond Project, Newfoundland, Canada

On November 9, 2021, the Company entered into an option agreement (the “Wing Pond Agreement”), with unrelated parties, to acquire a 100% interest in 462 mining claims located in Newfoundland.

In order to exercise the option and acquire the Wing Pond property, the Company must complete, over a period of two years, the following payments:

- Make a cash payment of \$35,000 within 21 days of signing the Wing Pong Agreement (paid);
- Incur \$90,000 of exploration expenditures on the claims and deliver the technical report, on or before November 30, 2022 (completed);
- Issue 1,000,000 common shares to the optionors on or before the earlier of (i) listing of the optionee’s common shares on the Canadian Securities Exchange, and (ii) November 30, 2022; and
- Make a further cash payment of \$50,000 and issue a further 2,000,000 common shares to the optionors and incur a further \$200,000 of exploration expenditures on the claims on or before the earlier of (i) the first anniversary of the listing date, and (ii) November 30, 2023.

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

Mineral Property Interests

Details of mineral property balance is as follows:

	Wing Pond Project
Balance, October 4, 2021 (incorporation)	\$ -
Option payments – cash	<u>35,000</u>
Balance, June 30 and September 30, 2022	<u>\$ 35,000</u>

Exploration Expenditures

The Company expended the following exploration and evaluation expenditures:

	For the three months ended September 30, 2022
Field office	\$ 429
Geological and geophysical	6,910
Technical report	1,950
Travel, logistics & camp costs	<u>4,244</u>
Total expenditures for the period	<u>\$ 13,533</u>

SORRENTO RESOURCES LTD.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

4. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

Period ended September 30, 2022

There were no shares issued during the three-month period ended September 30, 2022.

Period ended from October 4, 2021 (incorporation) to June 30, 2022

On October 4, 2021, the Company issued 1,200,000 common shares on incorporation at a price of \$0.005 per common share for gross proceeds of \$6,000.

On December 14, 2021, the Company completed a private placement of 5,300,000 flow-through units, consisting of one flow-through share and one-half common share purchase warrant, at \$0.02 for gross proceeds of \$106,000 and incurred share issuance costs of \$2,282. There was no flow-through premium allocated to the private placement.

On May 9, 2022, the Company completed a private placement of 2,666,666 common shares at \$0.15 for gross proceeds of \$400,000 and incurred share issuance costs of \$5,777.

c) Warrants

The following is a summary of the changes to the Company's outstanding warrants:

	Number of Warrants	Weighted Average Exercise Price
Balance, October 4, 2021	-	\$ -
Granted	2,650,000	0.05
Balance, June 30 and September 30, 2022	2,650,000	\$ 0.05

Summary of warrants outstanding as at September 30, 2022:

Number Outstanding	Exercise Price \$	Expiry Date
1,000,000	0.05	November 19, 2024
300,000	0.05	December 3, 2024
1,350,000	0.05	December 14, 2024
2,650,000		

SORRENTO RESOURCES LTD.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

5. RELATED PARTY TRANSACTIONS

Key management personnel are comprised of the officers and directors of the Company. Payments to key management personnel are as follows:

	For the three months ended September 30, 2022
Payments to key management personnel	
Consulting fees	\$ 4,500 ⁽¹⁾
Management fees	\$ 15,000 ⁽¹⁾

(1) Accrued amounts.

As at September 30, 2022, \$61,500 (June 30, 2022 - \$42,000) was included in accrued liabilities owing to key management personnel. These amounts are non-interest bearing and due on demand.

6. FINANCIAL INSTRUMENTS AND RISK MANAGERMENTS**Financial instruments**

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

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors*Credit risk*

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. As the Company's policy is to limit cash holdings to instruments issued by a major Canadian bank, the credit risk is considered by management to be negligible. The Company considers credit risk with respect to these amounts to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at September 30, 2022, the Company had working capital of \$95,126 (June 30, 2022 - \$210,187). The Company's financial obligations are limited to accounts payable and accrued liabilities, which have contractual maturities of less than a year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk as at September 30, 2022.

SORRENTO RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

6. FINANCIAL INSTRUMENTS AND RISK MANAGERMENTS (cont'd...)

Financial risk factors (cont'd...)

Commodity price risk

The Company's future success is linked to the price of minerals because the value of mineral resources and the Company's future revenues are tied to prices of minerals. Worldwide production levels also affect the prices. The prices of minerals are occasionally subject to rapid short-term changes due to speculative activities.

Foreign currency risk

As at September 30, 2022, the Company did not have any accounts in foreign currencies and considers foreign currency risk to be insignificant. The Company may be exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency in the future.

7. CAPITAL MANAGEMENT

The Company's capital management policy is to maintain a strong but flexible capital structure that optimizes the cost of capital, creditor and market confidence while sustaining the future development of the business.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. The Company's capital structure includes shareholders' equity of \$226,483 (June 30, 2022 - \$278,562) as at September 30, 2022. In order to maintain or adjust the capital structure, the Company may from time to time issue shares, seek debt financing and adjust its capital spending to manage current and working capital requirements. The Company did not change its capital management policy during the three-month period ended September 30, 2022. The Company is not subject to externally imposed capital requirements.

8. PROPOSED OFFERING

The Company has entered into an agreement with Leede Jones Gable Inc. (the "Agent") to act as lead agent and sole bookrunner for the Company in connection with the initial public offering (the "Offering") of the Company and concurrent listing of the common shares in the capital of the Company on the Canadian Securities Exchange.

The proposed offering will be for a minimum of 4,285,714 common shares at an offering price of \$0.175 per common share to a maximum of 7,142,857 common shares. The Agent has a greenshoe option exercisable in whole or in part at any time up to 30 days following the closing date of the Offering to sell up to an additional 15% worth of common shares sold pursuant to the Offering at a price of \$0.175 per common share.

The Company will pay the Agent a cash commission of 9% of the gross proceeds of the Offering. The Company will also issue options to the Agent to purchase such number of common shares as is equal to 9% of the total number of common shares sold under the Offering at an exercise price of \$0.175 per common share for a period of 24 months from the closing date.

Additionally, the Agent will be paid a corporate finance fee of \$35,000 in cash, plus applicable taxes.

As at September 30, 2022, the Company had incurred costs of \$96,357 (June 30, 2022 - \$33,375) related to the Offering, which are capitalized as deferred financing costs.

9. SEGMENTED INFORMATION

The Company has one operating segment, the exploration and development of mineral resources, and all non-current assets are located in Canada.

SCHEDULE D

**Management's Discussion and Analysis for the Period October 4, 2021 (date of incorporation)
to June 30, 2022 and for the Three Months Ended September 30, 2022**

See attached.

SORRENTO RESOURCES LTD.

("Sorrento" or "the Company")

**FORM 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022
AND
THE PERIOD FROM OCTOBER 4, 2021 TO JUNE 30, 2022**

Introduction

The following management's discussion and analysis ("**MD&A**"), prepared as of November 24, 2022, is the responsibility of management and is intended to supplement the condensed interim financial statements of the Company. The following discussion of performance, financial condition and future prospects should be in conjunction with the unaudited condensed interim financial statements for the three months ended September 30, 2022 and audited financial statements for the period from incorporation on October 4, 2021 to June 30, 2022, and the related notes thereto. All financial information in this document have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). This MD&A contains forward-looking statements. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations. The Company is currently engaged in exploration and development of mineral properties and does not have any source of revenue or operating assets. The recoverability of the amounts shown for mineral properties is dependent upon the ability of the Company to obtain necessary financing to complete exploration, technical studies and, if warranted, development and future profitable production or proceeds from the disposition of properties.

Sorrento was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on October 4, 2021. The Company maintains its registered office at 3200 – 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4P7. The head office and principal address of the Company is 9285-203B Street, Langley, BC, Canada V1M 2L9.

Description of Business

The Company is a mineral resource company engaged in the business of acquiring and exploring mineral resource properties in Canada. The Company's principal property is the Wing Pond Project, located in Newfoundland, Canada.

Wing Pond Project Option Agreement

On November 9, 2021, the Company entered into an option agreement (the "Wing Pond Agreement"), to acquire a 100% interest in the 462 mining claims located in Newfoundland.

In order to exercise the option and acquire the Wing Pond property, the Company must complete over a period of two years the following payments:

- Make a cash payment of \$35,000 within 21 days of signing the Wing Pong Agreement (paid);
- Incur \$90,000 of exploration expenditures on the claims and deliver the technical report, on or before November 30, 2022 (completed);
- Issue 1,000,000 common shares to the optionors on or before the earlier of (i) listing of the optionee's common shares on the Canadian Securities Exchange, and (ii) November 30, 2022; and
- Make a further cash payment of \$50,000 and issue a further 2,000,000 common shares to the optionors and incur a further \$200,000 of exploration expenditures on the claims on or before the earlier of (i) the first anniversary of the listing date, and (ii) November 30, 2023.

Mineral Property Interests

Details of mineral property balance is as follows:

	Wing Pond Project
Balance, October 4, 2021	\$ -
Option payments – cash	<u>35,000</u>
Balance, June 30 and September 30, 2022	\$ 35,000

Technical information and project detail is provided in the accompanying Prospectus document.

Exploration Expenditures

The Company expended the following exploration and evaluation expenditures for the three months ended September 30, 2022 (unaudited):

	For the three months ended September 30, 2022
Field office	\$ 429
Geological and geophysical	6,910
Technical report	1,950
Travel, logistics & camp costs	<u>4,244</u>
Total expenditures for the period	\$ 13,533

The Company expended the following exploration and evaluation expenditures for the period from incorporation on October 4, 2021 to June 30, 2022:

	Period from incorporation on October 4, 2021 to June 30, 2022
Field office	\$ 6,605
Geological and geophysical	7,000
Surveying	70,875
Technical report	12,500
Travel, logistics & camp costs	<u>36,045</u>
Total expenditures for the period	\$ 133,025

Performance Summary

Equity:

Three months ended September 30, 2022 (Unaudited)

There were no shares issued during the period ended September 30, 2022.

Period from October 4, 2021 to June 30, 2022

During the period from incorporation on October 4, 2021 to June 30, 2022, the Company:

On October 4, 2021, the Company issued 1,200,000 common shares on incorporation at a price of \$0.005 per common share for gross proceeds of \$6,000.

On December 14, 2021, the Company completed a private placement of 5,300,000 flow-through shares at \$0.02 for gross proceeds of \$106,000 and incurred share issuance costs of \$2,282. There was no flow-through premium allocated to the private placement.

On May 9, 2022, the Company completed a private placement of 2,666,666 common shares at \$0.15 for gross proceeds of \$400,000 and incurred share issuance costs of \$5,777.

Proposed Offering:

The Company has entered into an agreement with Leede Jones Gable Inc. (the “**Agent**”) to act as lead agent and sole bookrunner for the Company in connection with the initial public offering (“**Offering**”) of the Company and concurrent listing of the common shares in the capital of the Company on the Canadian Securities Exchange.

The proposed offering will be for a minimum of 4,285,714 common shares at an offering price of \$0.175 per common share to a maximum of 7,142,857 common shares. The Agent has a greenshoe option exercisable in whole or in part at any time up to 30 days following the closing date of the Offering to sell up to an additional 15% worth of common shares sold pursuant to the Offering at a price of \$0.175 per common share.

The Company will pay the Agent a cash commission of 9% of the gross proceeds of the Offering. The Company will also issue options to the Agent to purchase such number of common shares as is equal to 9% of the total number of common shares sold under the Offering at an exercise price of \$0.175 per common share for a period of 24 months from the closing date.

Additionally, the Agent will be paid a corporate finance fee of \$35,000 in cash, plus applicable taxes.

As at September 30, 2022, the Company had incurred costs of \$96,357 (unaudited) (June 30, 2022 - \$33,375) related to the Offering, which are capitalized as deferred financing costs.

Results of Operations

The Company has not generated any revenues since inception from its planned operations and has incurred losses primarily from investment into the Wing Pond Project through exploration expenditures, and the related general and administrative expenses to support the corporate entity.

As at September 30, 2022, the Company had total assets of \$323,827 (unaudited) (June 30, 2022 - \$340,931). As at September 30, 2022, the Company had current liabilities of \$97,344 (unaudited) (June 30, 2022 - \$62,369).

For the three months ended September 30, 2022 (unaudited)

For the three months ended September 30, 2022, the Company reported a net loss of \$52,079. Significant expenses included in net loss are as follows:

- Consulting fees of \$13,500 is associated with payments to the Chief Financial Officer and to a consultant providing general consulting services.
- Exploration expenses of \$13,533 is related to exploration work on the Wing Pond property.
- Management fees of \$15,000 are fees to the Chief Executive Officer.
- Professional fees of \$6,305 includes legal fees and accrued auditor fees for the completion of a quarterly review.

For the period from October 4, 2021 (incorporation) to June 30, 2022

For the period from October 4, 2021 to June 30, 2022, the Company reported a net loss of \$225,379. Significant expenses included in net loss are as follows:

- Consulting fees of \$33,000 is associated with payments to the Chief Financial Officer and to a consultant providing general consulting services.
- Exploration expenses of \$133,025 is related to exploration work on the Wing Pond property.
- Management fees of \$30,000 are fees to the Chief Executive Officer.
- Office and miscellaneous expenses of \$8,746 refers to general administrative costs, including rent and travel costs.
- Professional fees of \$20,608 includes legal fees and accrued auditor fees for the completion of the annual audit.

Financial Condition, Liquidity, Capital Resources and Financial Instruments

For the three months ended September 30, 2022 (unaudited)

The Company reported working capital of \$95,126 as at September 30, 2022 and cash of \$179,861. Current liabilities as at September 30, 2022 consisted of accounts payable and accrued liabilities of \$97,344.

Cash Used in Operating Activities

Cash used in operating activities during the three months ended September 30, 2022 was \$43,147 resulting from a net loss of \$52,079 and net of non-cash and working capital adjustments.

Cash Used in Financing Activity

Cash used in financing activity during the three months ended September 30, 2022 was \$38,982 in deferred financing costs toward the Offering.

For the period from October 4, 2021 (incorporation) to June 30, 2022

The Company reported working capital of \$210,187 as at June 30, 2022 and cash of \$261,990. Current liabilities as at June 30, 2022 consisted of accounts payable and accrued liabilities of \$62,369.

Cash Used in Operating Activities

Cash used in operating activities during the period from October 4, 2021 to June 30, 2022 was \$173,576 resulting from a net loss of \$225,379 and net of non-cash and working capital adjustments.

Cash Used in Investing Activity

Cash used in investing activity during the period from October 4, 2021 to June 30, 2022 was \$35,000 with respect to its option payment on the Wing Pond Project.

Cash Generated by Financing Activities

Cash generated in financing activities during the period from October 4, 2021 to June 30, 2022 was \$470,566. The Company received \$512,000 pursuant to the issuance of common shares for the period and expended \$8,059 in share issuance costs. Additionally, the Company incurred \$33,375 in deferred financing costs toward the Offering.

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

Since January 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility. The duration and enduring impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. With the uncertainty of the length and severity of these developments, particularly the challenge of traveling to access the project due to travel and public health restrictions, the impact of COVID-19 is difficult to estimate, however it's believed to have a minimal impact on the Company's activities.

Financial instruments

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

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. As the Company's policy is to limit cash holdings to instruments issued by a major Canadian bank, the credit risk is considered by management to be negligible. The Company considers credit risk with respect to these amounts to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at September 30, 2022, the Company had working capital of \$95,126 (unaudited) (June 30, 2022 - \$210,187). The Company's financial obligations are limited to accrued liabilities, which have contractual maturities of less than a year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk as at September 30, 2022.

Commodity price risk

The Company's future success is linked to the price of minerals, because the value of mineral resources and the Company's future revenues are tied to prices of minerals. Worldwide production levels also affect the prices. The prices of minerals are occasionally subject to rapid short-term changes due to speculative activities.

Foreign currency risk

As at September 30, 2022, the Company did not have any accounts in foreign currencies and considers foreign currency risk to be insignificant. The Company may be exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency in the future.

Requirement of Additional Equity Financing

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

Summary of Selected Annual Results

The following table sets forth summary financial information for the Company for the period from incorporation on October 4, 2021 to June 30, 2022. This information has been summarized from the Company's audited financial statements for the same period and should be read in conjunction with the Company's audited financial statements, including the notes thereto.

Period	As at June 30, 2022 and for the period from incorporation on October 4, 2021 to June 30, 2022
Exploration and evaluation assets	\$35,000
Total assets	\$340,931
Long-term debt	\$nil
Revenues	\$nil
Total loss	(\$225,379)
Loss per share (basic and diluted) ⁽¹⁾	(\$0.05)

Note:

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

Summary of Selected Quarterly Results

Quarterly information for periods prior to June 30, 2022 have not been presented as there is no requirement to present financial information for periods prior to the Company becoming a reporting issuer if the Company has not previously prepared financial statements for those periods.

	For the three months ended September 30, 2022 (Unaudited)	
Net loss and comprehensive loss for the period	\$	(52,079)
Basic and diluted loss per share	\$	(0.01)
Total assets	\$	323,827
Total liabilities	\$	97,344

The loss for the three months ended September 30, 2022 is mainly due to investment into the Wing Pond Project through exploration expenditures, and the related general and administrative expenses to support the corporate entity. Total assets consist of primarily cash and total liabilities is all from accounts payable and accrued liabilities.

Off Balance Sheet Arrangements

As of September 30, 2022, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

There are no proposed transactions other than as disclosed with respect to the Offering.

Related Party Transactions

The Company's related parties consist of key management personnel that are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. Key management personnel are comprised of the officers and directors of the Company. Payments to key management personnel are as follows:

Payments to key management personnel	For the three months ended September 30, 2022 (Unaudited)	Period from incorporation on October 4, 2021 to June 30, 2022
Consulting fees – Red Fern Consulting Ltd., a company in which the CFO, Bobby Dhaliwal, is an employee	\$ 4,500 ⁽¹⁾	\$ 1,500 ⁽¹⁾
Consulting fees – Red Fern Consulting Ltd., a company in which the former CFO, Samantha Shorter, has a significant investment	\$ -	\$ 10,500 ⁽¹⁾
Management fees – Sutton Ventures Ltd., a company in which the CEO, Brayden Sutton, has a significant investment	\$ 15,000 ⁽¹⁾	\$ 30,000 ⁽¹⁾

(1) Accrued amounts.

Management's Discussion and Analysis

For the three months ended September 30, 2022 and period from October 4, 2021 to June 30, 2022

As at September 30, 2022, \$61,500 (unaudited) (June 30, 2022 - \$42,000) was included in accrued liabilities owing to key management personnel. These amounts are non-interest bearing and due on demand.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value, of which 9,166,666 common shares are issued and outstanding as fully paid and non-assessable at the date of this report.

The Company has 2,650,000 warrants outstanding at the date of this report.

SCHEDULE E

Disclosure regarding the Wing Pond Property

See attached.

Property Description and Location

Property Location

The Wing Pond Property is located roughly 40 km east-northeast of Gander, Newfoundland, Canada, in the Central Newfoundland within NTS Map Sheets 002E01, and 002F04, centred at roughly 49° 3'31.15"N by 54° 5'30.93"W and covering an approximate area of 11,550 ha (Figure 1).



Figure 1: Wing Pond Property Location Map

Mineral Tenure

The Property consists of three (3) separate blocks of mineral claims comprising seven (7) Newfoundland and Labrador mineral licenses encompassing 462 mineral claims which covers an area of approximately 11,550 hectares (see Table 1). All the claims are held beneficially in trust for the Optionee by Nigel Lewis, Leonard Lewis, Gary Lewis, and Unity Resources Inc., of Newfoundland and Labrador.

Table 1: Wing Pond Project Mineral Tenures

License Number	Title Holder	# Claims	Issue Date	License Expiry Date	Anniversary Date	Report Deadline	Tenure Status	Area (ha)	Assessment Year	Annual Work Req's
032984M	Nigel Lewis	20	2021-07-02	2026-07-02	2024-07-02	2024-08-31	Active	500.00	3	\$6,000.00
033028M	Leonard Lewis	10	2021-07-04	2026-07-04	2024-07-04	2024-09-02	Active	250.00	3	\$3,000.00
033061M	Unity Resources Inc	114	2021-07-10	2026-07-10	2022-07-10	2022-09-08	Active	2850.00	1	\$22,800.00
033060M	Unity Resources Inc	185	2021-07-10	2026-07-10	2024-07-10	2024-09-08	Active	4625.00	3	\$55,500.00
033025M	Nigel Lewis	10	2021-07-04	2026-07-04	2024-07-04	2024-09-02	Active	250.00	3	\$3,000.00
033026M	Leonard Lewis	20	2021-07-04	2026-07-04	2024-07-04	2024-09-02	Active	500.00	3	\$6,000.00
033059M	Gary E. Lewis	103	2021-07-10	2026-07-10	2024-07-10	2024-09-08	Active	2575.00	3	\$30,900.00
		462						11550.00		\$127,200.00

Based on Axiom's 2022 *Tri-Axial Magnetics Survey*, the owners have exceeded the minimum required assessment work for the Wing Pond claims during the required time-period. This work will be filed to extend the claim expiry dates.

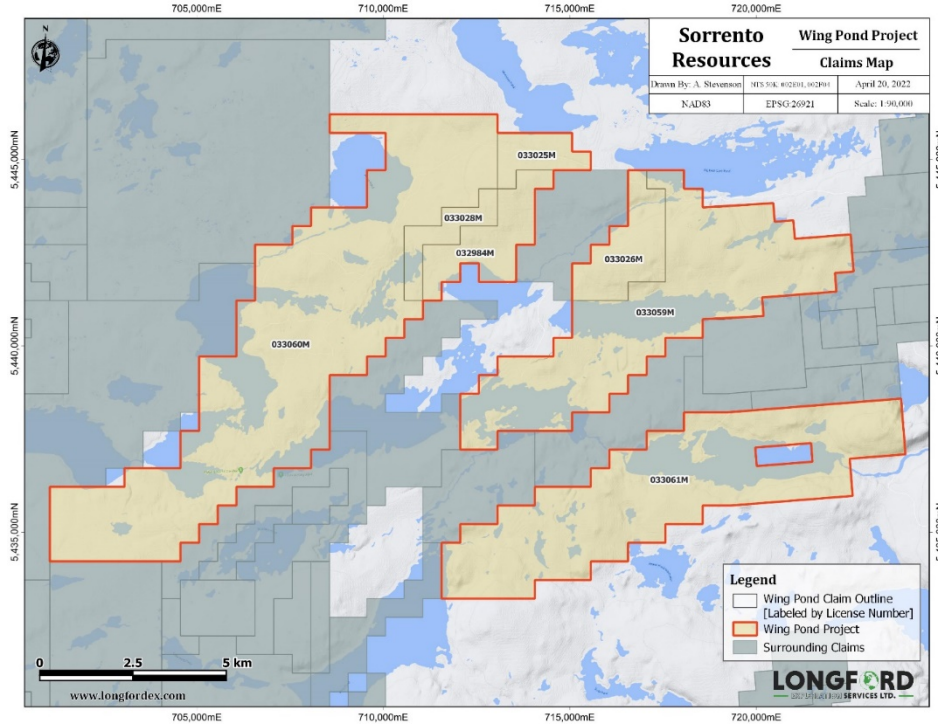


Figure 2: Wing Pond Property Claims Map.

Mineral Rights in the Newfoundland

Mineral exploration licences are issued by the Newfoundland and Labrador Department of Natural Resources and must be registered with the Mineral Claims Recorders Office. Licences comprise 500 m² single claim blocks which are based on one-quarter of a UTM grid square.

Licences are acquired via map-staking using an online system and are referenced using UTM coordinates for the corner points in a relevant map projection. A maximum of 256 contiguous claims can be covered by one exploration licence. The fees for staking include a \$15/claim staking fee as well as a \$50/claim security deposit, which is refunded upon completion of the first-year assessment requirements. Each licence is issued for a five-year term and may be held for a maximum of 30 years, with renewal fees due on the anniversary date in assessment years 5, 10, 15, 20, 25 and 30. For claims to remain in good standing, assessment expenditures must be met for each year, and a summary work report must be prepared annually.

Table 2 shows a summary of the claim renewal fees and annual expenditure requirements.

Table 2: Summary of Claim Renewal Fees and Expenditure Requirements.

Assessment Year	Renewal Fees (\$)	Minimum Expenditure (\$)
1	N/A	\$200.00
2	N/A	\$250.00
3	N/A	\$300.00
4	N/A	\$350.00
5	\$25/claim	\$400.00

Assessment Year	Renewal Fees (\$)	Minimum Expenditure (\$)
6 through 10	\$50/claim (year 10)	\$600.00
11 through 15	\$100/claim (year 15)	\$900.00
16 through 20	\$200/claim (year 20)	\$1,200.00
21 through 25	\$200/claim/year	\$2,000.00
26 through 30	\$200/claim/year	\$2,500.00

Property Legal Status

Sorrento holds the exclusive rights to explore for minerals within the boundaries of the claims listed in Table 1, but it does not hold the surface rights to the Property. Access to the Property is provided through exploration permits issued by the government of Newfoundland and Labrador to exploration companies for their respective mineral licences and claims.

Surface Rights in Newfoundland

Surface rights are not included with minerals rights in the province of Newfoundland and Labrador.

There are currently no known surface rights holders within the property boundaries that would inhibit mineral exploration or potential mine development. The property is subject to various surface land uses which can be found at (<https://www.gov.nl.ca/landuseatlas/details/>) which are administered by various provincial agencies. These include, but are not limited to: Water Resources Management, Newfoundland Power, Corner Brook Pulp & Paper Limited, Municipal Affairs and Land Management.

In order to develop future mineral resources on the Property, it is necessary to obtain title to the surface rights to the area of the mining lease and areas for siting the required infrastructure incidental to the mineral development. The application for a surface lease is to be accompanied by a legal survey; two original copies of the legal survey description and sketch are required. The surveyor's notes must also be submitted. Upon receipt of an application the Minister of Natural Resources in consultation with the Minister appointed to administer the Lands Act shall issue a surface lease.

Nature of Title to Property

On November 9, 2021, as amended October 28, 2022, Sorrento entered into a Mineral Property Option Agreement with Canal Front Investments Inc. ("**Canal**"), Aubrey Budgell ("**Aubrey**"), Gary Lewis ("**Gary**"), Len Lewis ("**Len**"), Nigel Stockley ("**Nigel**"), and Mark Stockley ("**Mark**"), collectively known as the "**Optionors**".

Pursuant to the Option Agreement, Sorrento maintains the right and option to acquire 100% of the Property by exercising the option under the Option Agreement, as follows:

- (1) paying \$35,000 cash to the Optionors, within 21 days of signing this agreement;
- (2) incurring \$90,000 of Expenditures on the Claims and delivering the Technical Report, on or before November 30, 2022;
- (3) issuing 1,000,000 common shares of Sorrento to the Optionors on or before the earlier of (i) listing of the Optionee's common shares on the Canadian Securities Exchange (the "Listing Date"), and (ii) April 30, 2023; and

- (4) make a further cash payment of \$50,000 and issue a further 2,000,000 Shares to the Optionors and incur a further \$200,000 of Expenditures on the Claims on or before the earlier of (i) the first anniversary date of the Listing date, and (ii) November 30, 2023.

Upon exercise of the option to acquire the Property under the Option Agreement, Sorrento will own 100% of the Property, which will be subject to a 3% net smelter returns ("**NSR**") royalty. At any time, Sorrento may repurchase two-thirds of the Optionors' NSR for a purchase price of \$1,000,000, leaving the Optionors with a 1% NSR.

Permitting in Newfoundland and Labrador

Sorrento has obtained permits from the government of Newfoundland and Labrador for all exploration to date, namely a permit application was applied for, and granted to proceed the Airborne Geophysical survey completed at the Property.

With respect to any planned future work, exploration permit approval must be obtained from the provincial Department of Natural Resources, and all provincial and federal conditions, acts or regulations must be complied with. Exploration approval for this Property has always been granted in the past, and there is no reason to assume that exploration approval would be denied in the future.

Companies applying for approvals must be registered with the Provincial Registry of Companies at Service NL.

The following approvals may be required, and it should be noted that four to six weeks should be allowed to acquire the necessary approvals:

- Exploration Approval Permit: This permit would cover prospecting, rock and soil geochemistry, line cutting, trenching, bulk sampling, airborne and/or ground geophysical surveys, fuel storage, ATV usage, diamond drilling, etc.
- Timber Rights Permit: This permit would cover the removal of timber for line cutting, diamond drilling site preparation, trenching, etc.
- Temporary Water Use Permit: This permit would allow the use of water, from a specified location, for camp and drilling-related needs.
- Licence to Occupy: This permit would be required if a camp location was to be used for a period of time longer than what was allowed as part of the Exploration Approval Permit. This permit is obtained from the Provincial Department of Crown Lands.

Sorrento does not currently hold any permits for the Wing Pond Property to proceed the work proposed under the section titled "*Recommendations*" below.

Environmental

At the effective date of this technical report, there are no known environmental liabilities to which the Wing Pond Property is subject, and no other known significant factors or risks exist that may affect access, title, or the right or ability to perform work on the Wing Pond Property.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Property is accessible by road from the town of Gander via a network of forestry service trails and ATV/snowmobile routes that are established across the Property. Gander is located along the Trans

Canada Highway (1) approximately 330 km northwest of St John's, the Provincial Capital. Additional access to the north if the Property is available along the same interconnected ATV/snowmobile trails from the town of Centreville, located along Highway-320 which connects with Highway-1, south of the town of Gander and the Property.

The Property is accessible year-round for exploration work programs.

Climate

The climate in the vicinity of the Property is typical of central Eastern Newfoundland with moderate temperature ranges. The region is under the influence of a maritime-type climate marked by cool summers and mild winters. The average daily temperature for July is 8.6°C, and average temperatures for January hover around -3.1°C. Average rainfall is highest in December with 126.7mm, and average snowfall is highest in January with 95.8cm. Snow accumulates from October to May, with peak accumulations occurring between November and March. The nearest active weather station to the Property is located 36 km southwest at Gander International Airport, Newfoundland (Table 3).

Table 3: Climate Data from Gander Airport Weather Station.

Temperature	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
Daily Average °C (°F)	-3.1 (26.4)	-2.9 (26.8)	0.2 (32.4)	5.6 (42.1)	12.0 (53.6)	17.1 (62.8)	21.6 (70.9)	21.1 (70.0)	16.4 (61.5)	9.9 (49.8)	4.7 (40.5)	-0.1 (31.8)	8.6 (47.5)
Record High °C (°F)	14.2 (57.6)	13.4 (56.1)	18.1 (64.6)	22.6 (72.7)	31.0 (87.8)	32.8 (91.0)	35.6 (96.1)	33.3 (91.9)	29.1 (84.4)	24.7 (76.5)	20.6 (69.1)	15.2 (59.4)	35.6 (96.1)
Record Low °C (°F)	-27.2 (-17.0)	-31.1 (-24.0)	-28.8 (-19.8)	-17.6 (0.3)	-8.9 (16.0)	-2.8 (27.0)	0.6 (33.1)	-1.1 (30.0)	-1.7 (28.9)	-7.2 (19.0)	-15.7 (3.7)	-26.1 (-15.0)	-31.1 (-24.0)
Avg Precipitation mm (inches)	111.9 (4.41)	104.6 (4.12)	112.6 (4.43)	94.8 (3.73)	89.8 (3.54)	88.3 (3.48)	95.4 (3.76)	104.2 (4.10)	114.8 (4.52)	114.1 (4.49)	113.0 (4.45)	126.7 (4.99)	1,270.2 (50.01)
Avg Rainfall mm (inches)	26.7 (1.05)	26.4 (1.04)	29.5 (1.16)	51.0 (2.01)	77.9 (3.07)	85.7 (3.37)	95.4 (3.76)	104.2 (4.10)	114.7 (4.52)	102.3 (4.03)	75.2 (2.96)	48.9 (1.93)	837.8 (32.98)
Avg Snowfall (cm)	95.8 (37.7)	84.3 (33.2)	85.9 (33.8)	42.2 (16.6)	10.7 (4.2)	2.0 (0.8)	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)	11.2 (4.4)	37.3 (14.7)	82.4 (32.4)	451.9 (177.9)

Source: 1981 to 2010 Canadian Climate Normals station data

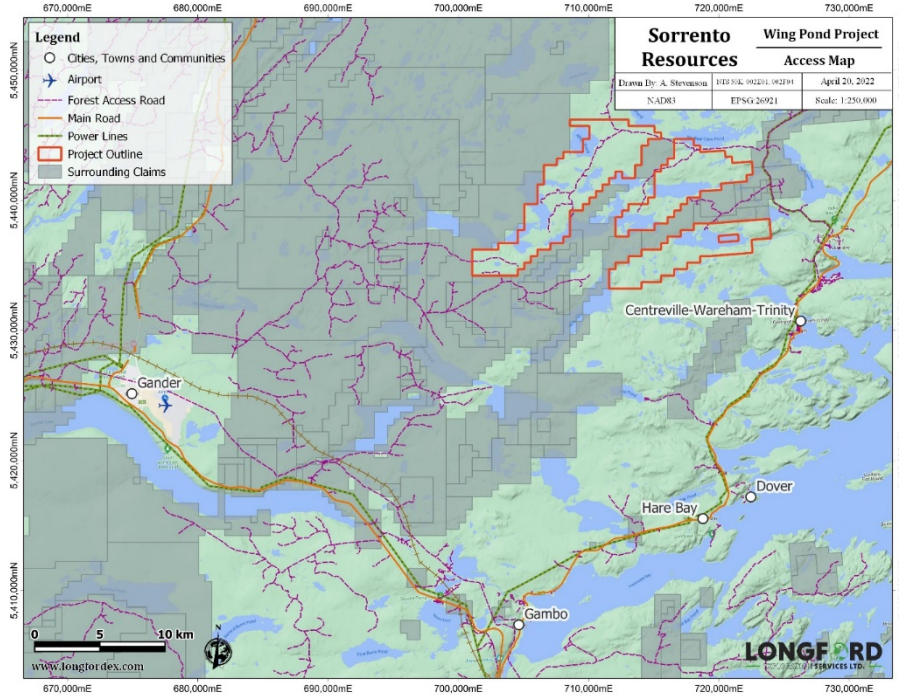


Figure 3: Wing Pond Property Location and Access Map

Physiography

The Physiography of the Property consists of low rolling hills and shallow lakes and ponds, with numerous connecting waterways, bogs, swamps, and streams. The valley bottoms comprise shallow glacial and alluvial sediments, while the ridge lines and hill tops are often bare with exposed rock outcropping. There are several large lakes located on the Property, their surface elevation ranges between 41 m in the south and 55 m in the north. Locally, elevations increase consistently with increasing distance from local lake shores, with elevations in the northern areas of the Property reaching up to 85 m amsl.

Vegetation consists of coniferous forests, but heath barrens and organic soils that support almost no trees are widespread. The lower lying areas adjacent to waterways and lakes are generally covered with balsam fir, aspen, and black spruce, and scattered white birch.

Local Resources

Gander is the largest town located near the Property; it has a population of 11,880 people (2021 Canadian Census). Abundant local services are available, the town is located along the Trans Canada Highway (1) approximately 330 km northwest of St Johns, the Provincial Capital. The town is serviced by an international airport, local hospital and an extensive network of grid electricity within populated areas. Gander is a local mining and mineral exploration hub in Newfoundland, abundant local skilled labour is available to facilitate project development.

Infrastructure

There is no developed infrastructure on the Property. However, a network of seasonal trails and snowmobile routes cross the Property allows access to many parts of the Property year-round.

The Wing Pond Property contains numerous locations suitable for the development of infrastructure to support potential mining operations, potential tailings storage areas, waste disposal areas, heap leach

pads, and potential processing plant sites. The town of Gander is located in proximity to the Property and is a reliable source of skilled and qualified labour to service the Property development. Local sources of power and water would need to be established to facilitate any future mine development.

History

The Property was recently acquired through online staking by the current underlying owners; there were no prior owners of the current licences. However, the areas covered by the current licences have been owned and worked by a number of prospectors and exploration companies over the years, as described below:

Limited systematic mineral exploration has been completed with the Property boundaries, a predominance of exploration in the areas has been centred on the known historical showings in the area where limited work has been completed. There are three known mineral showings in the area which include Wing Pond, Indian Bay, Big Pond and Little Bear Cove Pond, all of which are not located within the Wing Pond property boundaries. The historical work describes a summaries of work programs completed over parts of the Property but that were historically focused over legacy claim holdings centered over the mineral showings.

Regional airborne geophysical surveys have been conducted by various government agencies. In addition, other explorers have conducted airborne geophysical surveys, some of which overlap the Property's boundaries, where they overlap these surveys provide significant insight into the Property prospectivity and general geological environment.

There are currently no mineral resource or mineral reserve estimates located on the Property.

Local Exploration History

Prior to the discovery and development of the Hope Brook gold mine in southwestern Newfoundland during the early 1980s, exploration work in the province primarily concentrated on base metal mineralization with very little focus on gold. However, a flurry of gold exploration from 1984-1990 led to the discovery of numerous significant gold showings within the province, and the discovery of the Wing Pond gold showing in 1987 by the Geological Survey of Newfoundland and Labrador led to the immediate staking of prospective ground in that area by both Noranda Exploration and Falconbridge Ltd.

1953-1972: Geological Survey of Newfoundland and Labrador conducted Airborne magnetic survey that delineated regional magnetic anomaly trending northerly from the west side of Wing Pond through the north side of Indian Bay Big Pond. Digital aeromagnetic data for the area was released by the Newfoundland Department of Mines and Energy in 1990 (Kilfoil and Bruce, 1990).

1977-1988: Department of Mines and Energy conducted Regional Geological mapping surveys (Blackwood, 1977; and O'Neill, 1988) resulted in O'Neill's discovery of gold showing northeast of Little Wing Pond and south of Southern Pond (O'Neill and Knight, 1988). The prospect is now known as Wing Pond showing.

1981: Newfoundland Department of Mines and Energy, Mineral Development Division Regional multi-element lake sediment geochemical survey data for base metals was released in 1981 (Butler and Davenport) and in 1988 additional data from the survey, including results for gold, arsenic, and antimony, was released (Davenport et al., 1988). The lake sediment survey data indicated several areas of anomalous base metal and gold values (Dimmell, 1989).

1987: Noranda and Falconbridge (Wings Pond property) Two claim blocks staked around the Wing Pond showing in the Fall of 1987. No assessment work was filed by the company.

1988-89: Corona Corporation staked 64 claims in 2 blocks on strike extension to the northwest of the Noranda and Falconbridge Little Wing Pond claims. Groundwork in 1988 consisted of reconnaissance geology, prospecting (166 rock samples) and soil sampling. An additional 64 claims were staked in October

1988. Some anomalous gold values are reported from the rock sampling. An area of float boulders on the south shore of Indian Bay Big Pond and on an island contained high silver, lead, copper, and zinc with low gold.

1988-89: Noranda (Tower property) Claims were acquired in 1988 over As-Sb-Au anomalies that were part of a Newfoundland Department of Mines and Energy Lake sediment survey data release (Davenport et al, 1988). Noranda conducted additional lake sediment sampling (39 samples) along with a prospecting program (41 rocks) and reconnaissance soil sampling (778 samples, analyzed for Au-Cu-Mo-Pb-Zn-Ag-Sb-As). Lake sediments defined the original Au-As-Sb anomalies. Prospecting indicated several zones of altered rock with elevated gold in the range of 130 to 270 ppb with high values of 1 g/t and 2.68 g/t. Strongly silicified sediments with fine-grained pyrite were noted. Follow up reconnaissance soil sampling defined a large multi-element Sb-As anomaly with erratic elevated gold. However, Noranda did not continue the work on the property.

1990: David Graham staked the Wings Pond claims in the spring of 1990. Exploration consisted of 53 rock samples, 97 soil samples and 34 till samples. Detailed mapping and 33 channel samples were collected on the Wing Pond showing by Corona Corporation. VLF surveys completed on 20.3 km of reconnaissance lines. Five anomalous gold values are reported in the soils and a grab sample from the Wing Pond showing gave 8.7 g/t Au. A one-meter channel sample gave 2.4 g/t Au and anomalous gold (>100 ppb) is reported over 6.0 m.

1990: Geological Survey Branch, Department of Mines and Energy, completed detailed geochemical stream and soil sampling program over the Indian Bay Pond area. A total of 252 samples were collected, samples were oven dried at 40°C and sieved (80 mesh), and were analyzed for Cu, Pb, Zn, Co, Ni, Ag, F, Mo, Mn, Fe, Cd, and loss on ignition (L.O.I) at the department of mines laboratory. Few favourable results were reported.

1990: Corona Corporation conducted limited follow-up prospecting (45 rock samples) and detailed soil sampling (475 soils and 15 till pan concentrates) in areas of gold soil anomalies located in 1988 reconnaissance work. Weakly auriferous gold values (100-600 ppb) were documented in rocks in the areas of 1988 anomalous gold in soil samples. The highest gold value reported is 2.9 g/t.

1991: David Graham conducted rock sampling (8 samples) and channel sampling (8 samples) from the Wing Pond showing. Best values reported are 12.2 g/t and 9.8 g/t gold.

1991-1993: Geological Survey Branch, Department of Mines and Energy, Government of Newfoundland and Labrador 1:50,000 scale bedrock mapping of the Weir's Pond map sheet (02E/01) (O'Neil, P.P., 1991) and the Gambo map sheet (02D/16) (O'Neill, P.P. and Colman-Sadd, S.P., 1993). A regional lake sediment geochemical survey was also completed by the survey, and it identified some potential target areas for gold.

1995-96: Celtic Minerals Limited acquired a large group of claims from Anomalex that included the Wing Pond showing. Exploration work consisted of 12.8 km of grid, 201 soil samples. mapping and prospecting (22 rock samples). The July 1997 assessment report by Barry Greene includes airborne geophysics, trenching and drilling that was not discussed.

1995-96: Terra Nova Exploration staked ground for its gold and base metal potential. A very limited prospecting and rock sampling program (26 samples) was conducted and detected a loosely-defined 30m zone of quartz vein outcrops and quartz vein float with stibnite-arsenopyrite-pyrite mineralization. Outcrop sampling returned >440 ppm Sb and 71 to 270 ppb Au. Float samples returned 2.19% to 7.30% Sb and 5 ppb to 671 ppb Au. Arsenic values ranged from 26ppm to >2200 ppm. Report wasn't filed.

1997: Terra Nova Exploration, A limited mapping and prospecting program was conducted with 7 rock samples collected for whole rock and trace element analysis; Gold values of 337, 363 and 592 ppb Au were returned. Open-space filling and cockscomb quartz textured veins with arsenopyrite-pyrite-stibnite were

observed in this program. These veins were locally traced for 92m on-strike and were observed to cross-cut quartz breccias.

2002-2003: Rubicon Minerals Corporation completed prospecting and rock/soil sampling on the property. Highlights include a 3,150 ppb gold in a sample taken from outcrop and a soil sample which assayed 40 ppb gold.

2009: Altius Resources Incorporated. Exploration work by Altius on the Wing Pond Property since staking the claims in August 2007 included a high resolution IKONOS satellite imagery survey, as well as reconnaissance prospecting, rock sampling and soil sampling. While the limited soil sampling program failed to return significant gold values, the reconnaissance prospecting and rock sampling did confirm the presence of widespread, mineralized quartz veining on the property. A total of 24 grab samples were collected, most of which were taken from quartz vein and quartz breccia type outcrop and float occurrences. Of the 24 rock samples submitted for analysis, five returned values above the detection limit for gold, ranging from 11 to 38 ppb Au. These samples also returned anomalous values for arsenic, up to 275 ppm.

2009-2012: Geological Survey Division of the Newfoundland and Labrador Department of Natural Resources completed two concurrent regional till geochemical sampling on a 1 x 1 to 4 x 4 km grid spacing across the greater wing pond area. The samples were collected from C-CB horizon from test pits, samples were submitted to the Geological Survey's Geochemical Laboratory, and analysed by Gravimetric and ICP-ES methods for 53 elements, including Gold by Instrumental Neutron Activation Analysis methods. The results regional to the Wing Pond Property are presented in figure 6.1 above. The results show several anomalous results within the current property boundary which are comparable to results adjacent to the known mineral showings in the area.

2014-2015: Stephen Stockley completed grassroots prospecting for base metals and gold. Mr. Stockley reported large quartz veins or also swarms of smaller quartz veins. Many of the quartz veins sampled had pyrite but did not return any gold values. 7 rock samples collected in 2014 not return significant anomalous Au, Pt or Pd values. Two of 17 rock samples collected in 2015, returned 50 and 53 ppb gold.

Table 4: Work History of the Wing Pond Property.

Year	Title Holder	Operator	Report ID	Area	Property Name	Author	Summary	Comments/Results	Reference
1953-1972	Provincial land	The Geological Survey of Canada	Geofile: NFLD/2063	All onshore areas, Newfoundland and Labrador	n/a	Geological Survey of Canada	Airborne magnetic survey with a fluxgate magnetometer, yielding vertical component of the magnetic field. For the subsequent phases, magnetic sensors recorded the total magnetic field	Contour maps (1:63,360 scale) of magnetic intensity were generated by first scaling profiles recorded on charts during flights - along straight flight line segments between picked fiducial, followed by hand-contouring those values. An airborne geophysical survey delineated regional magnetic anomaly trending northerly from the west side of Wing Pond through the north side of Indian Bay Big Pond.	Geofile: NFLD/2063 https://www.geosurv.gov.nl.ca/airborne/disp_airborne.asp?SURVEY_ID=DN09898
1977	Provincial land	Newfoundland Department of Mines and Energy	Report 77-5	the East Half of the Gambo Area and the Northwest Portion of the Brendan's area.	n/a	Blackwood, R.F.	Regional geological mapping survey	Report 77-05, 23 pages, enclosure (map). GS# 002D/16/0095.	Blackwood, R.F., 1977: "Geology of the East Half of the Gambo (02D/16) M111 Area and the Northwest Portion of the Brendan's (SC/13) Map area. Newfoundland," Report 77-5, Newfoundland Department of Mines.
1990	Corona Corporation	Corona Corporation	Assessment File 2E/01/0750	Indian Bay Big Pond and Little Bear Cove Pond	Wing Pond	Dimmell, P. and MacGillivray, G.	Prospecting and detailed soil and rock surveys	Soil samples for gold didn't confirm the 1988 results. Rock samples results 2.9 g/t and strong silicification in psammitic unit indicate strong potential for gold.	Dimmell, P.M. and MacGillivray, G., 1990: "Second Year Assessment Report on the Project 7434-Indian Bay Big Pond Property, North Central Newfoundland, Claim Blocks 6073, 6075, 6281, Licenses 3426, 3427, 3479, N.T.S. 02E/01." Assessment Report for the N.D.M. &E. by Corona Corporation.
1990	Provincial land	Geological Survey Branch, Department of Mines and Energy	Geofile: NFLD/1491	Indian Bay Pond Area	n/a	A.J. Butler	Stream Sediment and Soil sampling survey	<u>Minor anomalism was reported</u>	Butler, A J., 1990: "Detailed geochemical stream and soil sampling program, Indian Bay Pond Labrador Geological Survey, Open File NFLD/1491, 1990, 34 pages.
1991	David Graham	Amomalex	Assessment File 002E/01/0798	Wing Pond	Wing Pond	Graham, D.	Geological, Geochemical and Geophysical surveys	8 rocks and 8 channel samples with the best values reported are 12.2 g/t and 9.8 g/t gold, geological mapping, and VLF survey.	Graham, D.R., 1991: "The Wing Pond Property, Gander, Newfoundland. A Geological, Geochemical and Geophysical Report on Field Work 1990 Assessment Report.

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Year	Title Holder	Operator	Report ID	Area	Property Name	Author	Summary	Comments/Results	Reference
1995	Celtic Minerals Ltd	Celtic Minerals Ltd	Assessment File NFLD/2577	Wing Pond	Wing Pond	Barry J. Greene and David R. Graham	Prospecting, mapping, line cutting, trenching, soil, till, rock and pit sampling, airborne EM survey	Six isolated gold anomalies greater than or equal to 10 ppb and numerous Cu, Pb, Zn, and As anomalies greater than 50 ppm. Six rock samples more than 500 ppb gold and up to 11,618 ppb.	A Report on Geological, Geochemical, and Geophysical surveys and Trenching Performed on License No's 4510, 4511, and 4512 on Map Sheets 02E/01 and 02D/16 Between October 1994 and August, 1995
1996	Celtic Minerals Ltd	Celtic Minerals Ltd	Assessment File NFLD/1134	Wing Pond	Wing Pond	Barry J. Greene and David R. Graham	Diamond drilling program of 5 drill holes	Explained that EM-VLF anomalies were caused by graphite. Borehole # 2 intersected significant alteration and a small interval of semi-massive to massive pyrite and chloritized mafic volcanics.	A Report on Diamond Drilling on licence No. 4512 on map sheet 2E/01 between August, 1995 and September 1995
1996	Celtic Minerals Ltd	Celtic Minerals Ltd	Assessment File NFLD/2592	Wing Pond	Wing Pond	Barry J. Greene	Geological mapping, prospecting, line cutting, horizontal-loop EM survey and diamond drilling of 1 drill hole	Drill hole WPD-96-01 has intersected several anomalous areas of weak gold mineralization within pyrrhotite-pyrite bearing graphitic argillite.	A Report on Geological Mapping/Prospecting, Line Cutting, Ground Geophysics, Diamond Drilling, and Airborne Geophysics Performed On License No. 's 4639, 4693, 4694 On Map Sheet 2E/01 Between June 1995 and April, 1996.
1996	Terra Nova Exploration	Terra Nova Exploration	Assessment File 002D/16/0339	Butts Pond	Crown Ridge	Goulding, D	Prospecting and 26 rock samples	Outcrop sampling returned >440 ppm Sb and 71 to 270 ppb Au. Float samples returned 2.19% to 7.30% Sb and 5 ppb to 671 ppb Au.	First year Assessment Report on Geological, Geochemical, and Trenching Exploration for licence 4662m on claims in the Butts Pond area, Newfoundland
1997	Celtic Minerals Ltd	Celtic Minerals Ltd	Assessment File NFLD/2676	Wing Pond	Wing Pond	Barry J. Greene	Line cutting, soil and rock sampling, geological mapping and prospecting	Field work failed to indicate areas worthy of advanced follow-up and therefore no further work is recommended in this area.	Second year Assessment Report on Geological and Geochemical Exploration for licence 4811 on claim blocks 7584-7587 in the Little Wing Pond area, Newfoundland
2011	Provincial Land	Government of Newfoundland and Labrador, Department of Natural Resources, Geological Survey	Open File NFLD/3134	<u>NTS 2D/16 and 2C/13</u>	n/a	Brushett, D.	Regional scale Till geochemistry. 496 samples collected with 53 elements with ICP-ES, INAA methods	Some locally elevated results for Au	Brushett, D. 2011: Till geochemistry of the Gander Lake and Gambo map areas (NTS 2D/16 and 2C/13). Government of Newfoundland and Labrador, Department of Natural Resources, Geological Survey, Open File NFLD/3134, 104 pages.

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Year	Title Holder	Operator	Report ID	Area	Property Name	Author	Summary	Comments/Results	Reference
2012	Provincial Land	Government of Newfoundland and Labrador, Department of Natural Resources, Geological Survey	Open File NFLD/3174	NTS map areas 2C/13, 2D/15, 2D/16, 2E/01, 2E/08, 2F/04 and 2F/05	n/a	Brushett, D.	Regional scale Till geochemistry. 1651 samples collected with 53 elements with ICP-ES, INAA methods	Some locally elevated results for Au	Brushett, D. 2012: Till geochemistry of northeast Newfoundland (NTS map areas 2C/13, 2D/15, 2D/16, 2E/01, 2E/08, 2F/04 and 2F/05). Government of Newfoundland and Labrador, Department of Natural Resources, Geological Survey, Open File NFLD/3174, 161 pages.
2018	Provincial Land	Government of Newfoundland and Labrador, Department of Natural Resources, Geological Survey	Open File NFLD/3344	Newfoundland (regional)	n/a	S.D. Amor	Compilation of fluoride results regionally across Newfoundland	Some locally elevated results for Au	Amor, S.D. 2018: Fluoride in Newfoundland tills. Government of Newfoundland and Labrador, Department of Natural Resources, Geological Survey, Open File NFLD/3344, 18 pages.

Geological Setting and Mineralization

Regional Geology

Northeastern Newfoundland is characterized by the major tectonostratigraphic structures of the Dunnage, Gander and Avalon Zones. The Dunnage Zone has been divided (from west to east) into the Notre Dame, Dashwoods and Exploits Subzones; and the Gander Zone has been divided (from east to west) into the Mt. Cormack, Meelpaeg and Gander Lake Subzones. The Dunnage Zone is believed to be the remains of the Early Paleozoic Iapetus Ocean while the Gander Zone represents a continentally derived sedimentary wedge at its eastern margin (Colman-Sadd et al., 1992).

The Exploit's River Subzone, considered allochthonous to the Gander Zone, consists mainly of marine, clastic sediments of the Davidsville Group (Colman-Sadd et al., 1992). The Davidsville Group unconformably overlies the N-NE trending GRC an approximately 8 km wide ultramafic to mafic belt. This belt consists of imbricated peridotite, gabbro, basalt, trondhjemite and marine sedimentary rocks representing the dismembered remnants of an ophiolite complex believed to have been emplaced sometime between the Middle to Late Ordovician (Colman-Sadd et al., 1992; Sandeman & Peddle, 2020). This narrow belt unconformably overlies the metasedimentary assemblages of the Gander Lake Subzone and its boundary is defined by the Gander River Ultramafic Belt Line (GRUB line). The progressive metamorphic grade along the GRUB line has been mapped from chlorite to amphibolite grade which has been attributed to nearby granitic intrusions (O'Neill, 1991). The eastern boundary of the Gander Zone is separated from Neoproterozoic sedimentary-volcanics of the Avalon Zone by the northeast-striking, steeply dipping and brittle-ductile Dover Fault zone.

The Gander Lake Subzone, a "flat belt" located between the GRUB line and the Dover Fault, consists of Early Cambrian to Middle Ordovician metasedimentary rocks of the Indian Bay Big Pond Formation, Jonathan's Pond Formation and Hare Bay Gneiss. The Wing Pond Property is predominantly underlain by rocks of Jonathan's Pond Formation ("**JPF**") which primarily consist of greenschist facies, polydeformed psammitic and semipelitic metasedimentary rocks (O'Neill, 1990; O'Neill, 1991; Sandeman & Peddle, 2020). Overlying the JPF unit is the fine-grained pelitic metasedimentary rocks and locally intercalated with pebble to cobble conglomerate, maroon siltstone and basaltic lavas of the Indian Bay-Big Pond Formation (O'Neill, 1990; O'Neill, 1991; Sandeman & Peddle, 2020).

Located within and immediately north of the Gander Group metasediments, north of the property are various Devonian age 'post tectonic' granitoids, including the Deadmans Bay Granite, and Gander Lake Granite Intrusive, which are typically massive, coarse-grained to metacystic felsic plutons. These plutons are commonly characterized by K-feldspar metacysts found within a biotite, quartz, and feldspar matrix (O'Neill, 1991 and D'Lemos, 1995).

One principal tectonic foliation has been defined across the Gander Group, which has been designated as S2. West of Gander Lake, S2 has a shallow to moderate dip to the west and northwest, and locally strikes N-NW (O'Neill, 1991). South of Gander Lake the foliation strikes NE and dips steeply NW, which contrasts to what was observed north of Gander Lake, but is parallel to a major lineament (O'Neill, 1991). North of Gander Lake the S2 foliation is steep to vertical, strikes N-S to N-NE and becomes gradually shallower towards the east (O'Neill, 1990). This high grade of metamorphism is believed to be related to tectonic uplift along a narrow high-strain zone (O'Neill, 1990).

The eastern part of the Gander Group is characterized by the Gander Tectono-Stratigraphic Geological Zone which hosts the regionally significant Wing Pond Shear Zone which extends for 40-km in a north-northeast direction. The WPSZ is characterised by increasing greenschist facies metamorphism toward its high strain core, and is marked by progressive biotite, andalusite, kyanite metamorphic assemblages. The WPSZ domain is characterized by mainly steeply plunging mineral-stretching lineation's (Jones, 2006). Geometrically identical F3 – 5 sheath folds and appear to reflect progressive deformation and shear localization within the WPSZ. The eastern margin of the WPSZ is flanked by a system of older shallow-dipping fabrics that resemble the flat-lying system west of the shear zone. Viewed in this context the WPSZ

has a simple geometry with a steeply dipping core flanked by domains of progressively lower strain (Jones, 2006).

Regional Mineralization

The Wing Pond Shear Zone is associated with several historic gold showings including the Wing Pond (Au) showing, Indian Bay Big Pond (pyrite) showing, and the Little Bear Cove Pond (As) showing. The gold is generally associated with arsenopyrite, stibnite, and base metal sulphides hosted in quartz/breccia veins. Typical wall rock alteration consists of Silica, Sericite, and Chlorite. Generally only Greenstone Related Quartz – Carbonate Gold vein type mineralization have been reported in the region.

Property Geology

The claim area is underlain by northeast-trending quartzose sandstone and pelite of the lower Ordovician age Gander Group. Two formations have been defined within this group. The older Jonathan's Pond formation comprises quartzite, psammite and grey-green pelite. This formation is in transitional contact with the overlying Indian Bay Formation, characterised by black pelitic sediments and fossiliferous shales together with mafic and felsic volcanics and subvolcanic intrusives (O'Neill, 1988). Rocks of the Gander Group are intruded by Siluro-Devonian age granite and gabbro.

Gander Group are intruded by Siluro-Devonian age granite and gabbro. The northwest contact between the Jonathan's Pond Formation and the Gander River Complex coincides with a steep fault, while eastward toward Indian Bay, the Jonathan's Pond Formation is progressively metamorphosed and conformably grades into the Hare Bay Gneiss (O'Neill, 1991). The southwest portion contains siliciclastic conglomerates and siltstones of the Indian bay Big Pond Formation. The Wing Pond Shear Zone gabbro outcrops in the southeast portion of the Property.

Table 5: Table of Formations Wing Pond Project Area (O'Neill, 1988).

AGE	FORMATION	LITHOLOGIES
Quarternary		Unconsolidated sand, clay, silt and boulders (Till)
-----	Unconformity	-----
Early Silurian to Early Devonian		Granite and Gabbro intrusions
.....	Intrusive Contact
Early Ordovician to Middle Ordovician	Gander Group Indian Bay Big Pond formation	Psammite, pelite, felsic tuff, pillowed mafic volcanics, felsic and mafic intrusives
.....	Transitional Contact
Early Cambrian to Early Ordovician	Jonathan's Pond Formation	Psammite, pelite, quartzite

Relative ages of the subunits of the Indian Bay Big Pond Formation are unclear, and contacts between the units are not observed. The best exposures of the Formation occur along the shore of Indian Bay Big Pond as well as the area west of Big Bear Cove Pond (O'Neill, 1991).

The Wing Pond Shear zone (O'Neill 1991, O'Neill and Colman-Sadd 1993) is a 40-kilometer-long high strain zone that extends through and along the eastern boundary of the Property.

Jonathan's Pond Formation

The Jonathan's Pond Formation predominantly comprises interbedded psammite, semipelite and pelite with local calc-silicate layers and rare mafic to intermediate intrusive bodies. Individual beds are typically less than 1 metre thick and are characterized by sharp contacts with little evidence of internal grading. The psammite and semipelite exhibit grey to white weathering, except where minor pyrite and hematite content locally imparts a pinkish hue.

Fresh surfaces are generally grey, with the coarser psammite often containing blue-grey, subangular quartz granules and lesser bleached white feldspar grains. The pelitic units are generally grey-green on the fresh surface and light green on the weathered surface and form thinner layers within the psammite and semipelite units (O'Neill, 1991).

Minor quartzite also occurs within the Jonathan's Pond Formation as white, well defined, massive to laminated beds (typically 3-6 cm). Plane-parallel laminations within the quartzite are defined by dark, 1-2mm thick seams of calc-silicate minerals, mica, tourmaline, and locally magnetite (O'Neill, 1991). Mafic sill-like bodies also occur locally within rocks of the Jonathan's Pond Formation. They are usually concordant and have sharp contacts with the surrounding sedimentary rocks, and typically range from 0.2 – 2.0 metres wide. Medium to coarse grained, pink to buff, feldspar-rich, concordant intermediate dykes also occur locally (Greene, Graham, 1995).

Indian Bay Big Pond Formation

Rocks of the Indian Bay Big Pond Formation underlying the Wing Pond Property predominantly include medium to thickly bedded, buff to maroon psammite, thinly bedded green to maroon siltstone and black pelite. The psammite beds are generally massive with little internal grading and are characterized by the presence of ubiquitous detrital muscovite.

Local exposures of the psammite beds on the shore of Indian Bay Big Pond achieve thicknesses up to several metres. Conglomerate boulders in the area may represent an unexposed subunit of the Indian Bay Big Pond Formation equivalent to a similar unit mapped by Blackwood (1977) further south.

Sedimentary Rocks

Sedimentary rocks exhibit a high degree of structural deformation having a strong to penetrative S1 foliation trending North-East and dipping steeply west to vertical. S2 where preserved is sub-parallel to S0. A later period of deformation preserves local crenulation cleavages and folds oblique to S1 (O'Neill, 1988). The sediments display buff to grey weathered surfaces and where fresh have a weak micaceous sheen.

The quartz-argillite breccia is most widespread between Little Bear Cove Pond and Big Bear cove Pond especially near the river that joins the two ponds. The increase in quartz-argillite breccia in this area is postulated to reflect silica flooding/hydro-brecciation along the numerous faults that occur in this area. Locally, the breccias contain arsenopyrite, pyrite and are likely to be in close association with gold mineralization that occurs elsewhere on the property (Greene, 1996)

Quaternary Cover

According to government of Newfoundland surficial mapping much of the property is covered by variable glacial till deposits including predominantly till veneer over western parts of the property and at higher elevations. In proximity to the various lakes on the property till thickness generally increases with widespread areas of hummocky and thick till described over lower parts over the property, with adjoining lowland areas are often described as being glacial eroded and dissected. The thickness of till across the property is unknown however explorations will likely need to be proceeded with particular attention to the nature of the glacial deposits to ensure any surface, or subsurface geochemical sampling is appropriately executed to establish a meaningful geochemical profiling of the Property.

The ice flow indicators observed during regional Till geochemical surveys indicate three predominant ice-flow phases affected the area. The first was a regionally extensive eastward flow likely sourced from Red Indian Lake, while the second and third were directed to the north-northeastward (Brushett, D. 2012).

Property Mineralization

There are no known mineral showings on the Property.

Deposit Type

The geological setting of the Wing Pond Property is favourable for quartz-carbonate vein-hosted gold mineralization, based on the grade of metamorphism and distribution and type of veining observed at the Wing Pond Property, and noted from proximal mineral showings.

The style of mineralization and corresponding deposit type has not yet been confirmed – the project is an early-stage mineral exploration project and numerous deposit types may (or may not) be hosted on the Property.

Greenstone-Hosted Quartz-Carbonate-Gold-Vein Style Deposit

Dube and Gosselin (2007) provide a detailed overview of the key features and genesis of Canadian examples of this deposit type. Generally, quartz-carbonate vein-hosted gold deposits occur in greenstone belts. They are most abundant and significant, in terms of total gold content, in Archean terranes. However, a significant number of world-class deposits are also found in Proterozoic and Paleozoic terranes.

The deposits of this type are structurally controlled, complex epigenetic deposits hosted in deformed and metamorphosed terranes. They consist of simple to complex networks of gold-bearing, laminated quartz-carbonate fault-fill veins in moderately to steeply dipping, compressional brittle-ductile shear zones and faults, with locally associated extensional veins and hydrothermal breccias. They are dominantly hosted by mafic volcanic rocks metamorphosed at greenschist to amphibolite facies conditions and formed at depths of 5 to 10 km.

Main ore minerals include native gold with pyrite, pyrrhotite and chalcopyrite in decreasing amounts. Sulphide minerals typically constitute less than 5% of the ore body. Main gangue minerals include quartz and carbonate with variable amounts of white micas, chlorite, tourmaline, and sometimes scheelite.

Quartz-vein textures vary according to the nature of the host structure. Extensional veins typically show quartz and carbonate fibres at a high angle to the vein walls and with multiple stages of mineral growth. Laminated veins are usually composed of massive fine-grained layers. When present in laminated veins, mineral fibres are sub-parallel to vein walls. Individual vein thicknesses vary from a few centimetres to up to 10 m, and their length varies from 10 m to up to 1,000 m. The vertical extent of orebodies commonly exceeds 1 km and, in a few cases, reaches 2.5 km.

The gold-bearing shear zones and faults associated with quartz-carbonate vein-hosted deposits commonly display a complex geometry with anastomosing and/or conjugate arrays. Laminated quartz-carbonate veins typically infill the central part of, and are subparallel to, the host structures. Extensional veins are either confined within shear zones, in which case they are relatively small and sigmoidal in shape, or they extend outside the shear zone and are planar and laterally much more extensive.

Exploration for this deposit type is well understood, based on a rich history of discovery over approximately a century. On a continental scale, this type of gold deposit is typically distributed along crustal scale fault zones characterized by several increments of strain, and, consequently, multiple generations of steeply dipping foliations and folds resulting in a complex deformational history. These crustal-scale deformation zones represent the main hydrothermal pathway towards higher crustal levels. Critically, however, deposits are often spatially and genetically associated with second- and third-order compressional reverse-oblique

to oblique high-angle shear/strain zones that are best developed within 5 km of the first-order structure, often in its hanging wall. In many cases, brittle faults also host major zones of gold mineralization.

On a district scale, large gold camps are commonly associated with curvatures, flexures, and dilatational jogs along major compressional fault zones, such as the Porcupine-Destor fault in Timmins. Regional unconformities distributed along major faults or stratigraphic discontinuities are also typical of large gold camps. The presence of other deposit types in a district, such as volcanogenic massive sulphide deposits and/or magmatic nickel-copper deposits, is also commonly thought to be a favourable factor.

The Wing Pond Property is prospective for GQC style mineralization; the geological model, and concepts of this style of deposits are to be applied to further advance the Wing Pond Property. The geochemistry, magnetic signatures, alteration patterns, and geological setting of GQC vein deposits is proposed to be used to find gold-in-till anomalies along with associated trace elements using convention surface and till geochemical sampling methods. In addition, magnetic signatures from airborne data will be used to detect possible shear zones and potential structural conduits and intersections favourable for mineralization. Direct prospecting and rock sampling will be utilized to find and test zones of quartz veining and quartz-carbonate alteration, associated with disseminated pyrrhotite and/arsenopyrite, for their gold content.

Exploration

Helicopter-borne Triaxial Magnetic Gradiometer Survey

In 2022, Sorrento commissioned Axiom Group (“**Axiom**”) to fly a high-resolution helicopter-borne tri-axial-magnetic gradiometer survey over the Wing Pond Property over 2 days between March 17th and March 18th, 2022. A total of 755 line-km of gradient magnetic data was collected. The survey was flown at 100 m traverse-line spacing and 1,000m tie-line spacing (Table 6).

Table 6: Axiom Magnetic Survey Parameters.

Survey Block	Line Type	Line Spacing (m)	Flight Direction (°)	Actual Line-km Flown
Wing Pond	Traverse	100	120-300	705
	Tie	1000	30-270	50
Total				755

The Wing Pond heliborne-magnetic survey data received from Axiom included the final survey deliverables; all raw, helicopter-borne, magnetic data; base-station data; a final levelled dataset, including all measured gradients; and the following maps: flight paths, measured vertical gradient (“**MVG**”), residual magnetic intensity (“**RMI**”), and total magnetic intensity (“**TMI**”). A 3D inversion of the magnetic data was also completed by Axiom.

2021 Tri-Axial Magnetic Data Acquisition and Processing Procedures

The tri-axial system is composed of three GSMP-35A high-precision potassium magnetometers mounted on a tri-directional bird that is towed by a Robinson helicopter platform separated by a 100 ft cable that guarantees separation between the helicopter and the magnetic survey platform. Included in the tri-axial system is a GPS that marks the data point location, radar altimeter for recording the height, and an inertial measurement unit (“**IMU**”) for recording the roll, pitch, and yaw of the unit in flight.

The GPS of the tri-axial system is complimented by the helicopter’s Satloc system providing a real-time moving map which is cross-referenced and provides quality control and redundancy.

Supporting the helicopter is a base station which has a single GEM's GSM-19 magnetometer that is equipped with a high-resolution (0.07 m) integrated GPS. This was used to calculate final diurnal corrections from data collected at three-second intervals.

The magnetic data that lacked georeferenced data, and were also excessively noisy, were removed. These lines were re-flown and interpolated with the acceptable data resulting in mosaics. The base-station recording was also processed and filtered, and spikes were removed to derive data for diurnal correction.

All processing of post-field program data was carried out using Geosoft Oasis Montaj and Microsoft Excel software, and the presentation of final maps used QGIS. Results were gridded using a minimum curvature method and a grid-cell size of approximately $\frac{1}{4}$ of flight line spacing.

2021 Tri-Axial Magnetic Results /Gradient Survey Interpretation

The magnetic maps and derived data products are presented in Figures 9-1 to 9-11 of the Technical Report mainly as TMI, reduction to pole ("RTP"), RMI and measured vertical gradient ("MVG").

The survey area can be subdivided into three distinct magnetic domains; at the north of the survey area the underlying rocks exhibit a relatively low relief magnetic signature, with a predominant NE-SW oriented fabric, which is crosscut by subtle N-S oriented magnetic discontinuities, this domain is indicative of mapped occurrences of Jonathan's Pond Formation. At the centre of the survey area in the area straddling the two more northern property blocks mapped occurrences of Indian Bay Big Pond Formation are typified by intercalated fault strands and splays which subdivide NE-SW trending lineaments defined by magnetic highs (ridges) with intervening magnetic lows (troughs). Along the southeastern margin of the survey area rocks of the Jonathan's Pond Formation exhibit relatively high magnetic relief with a predominant NE-SW fabric which is crosscut by N-S oriented magnetic discontinuities toward the south of the survey area and more E-W oriented magnetic discontinuities toward the east of the survey area, this magnetic domain is interpreted to represent the magnetic signature indicative of the Wing Pond Shear Zone that flank the eastern margin of the Gander Group metasediments.

The magnetic gradiometer survey identified a distinct sequence of dominant high contrast NE-SW trending magnetic highs through the centre of the survey which corresponds to the mapped contact in this area between Gander Group; Indian Bay Big Pond Formation – marine siliciclastic and hypabyssal plutonic felsics, and Jonathan's Pond Formation siliciclastic marine sandstones. Other sub-parallel trends adjacent to this magnetic high likely define more detailed lithological and structural contacts in the local stratigraphy, as well as the other fault juxtaposed discontinuities within the Indian Bay Big Pond and Jonathan's Pond Formations. A complicated pattern of fault splays and subordinate 1st order structures occupies the centre of the survey areas, these are interpreted to represent relatively overthrust sequences of the Indian Bay Big Pond Formation.

The magnetic signature across the dominant SW – NE trend also shows distinct segmentation of magnetic highs which conform to breaks, discontinuities, and offsets along the northeast-trending 1st Order lineaments. Frequent breaks in these highs may suggest cross-cutting 2nd order structures which are oriented approximately north to south and propagate from more subdued response rocks of the basal Jonathan's Pond Formation along the northwestern margin of the Property.

At various locations across the property magnetic susceptibility lineament discontinuities are coincident with topographical features and lineaments in the landscape which may confirm the presence of larger scale structures across the property. These can also be seen to continue at depth based on the results of the survey inversion as illustrated in Figures 9-6 to 9-11 of the Technical Report. The 3D unconstrained inversion of the magnetic susceptibility shows the SW-NE oriented 1st order structures near surface manifest as numerous subparallel splays and subordinate structures in the -10m to -250m depth range, which resolve as a singular NW dipping deep-seated SW-NE oriented structure toward the -1000 m level. This dominant SW-NE structure also appears to be semi-discontinuous or crosscut by a subtle N-S oriented 2nd Order structure through the centre of the Property. This is evident from discontinuous magnetic highs

along the predominate 1st Order splays at the north and parallel magnetic high lineaments flanked by deep magnetic low domains toward the south.

Generally, the magnetic susceptibility signatures and distinct magnetic domains across the survey area conform well with the mapped occurrence of Gander Group, Jonathan's Pond, and Indian Bay Big Pond Formations across the property area. The complicated pattern of 1st order (NE-SW oriented) structural lineaments, splays, and subordinate structures at the centre of the property confirm the continuity of the mapped Wing Pond Shear Zone within the property bounds. Predominate N-S oriented 2nd Order structures frequently intersect the Wing Pond Shear Zone and may provide local foci for mineralization along zones of extension or dilation where 1st and 2nd Order structures intersect.

Drilling

No historical drilling has occurred on the Wing Pond Property, and Sorrento Resources Inc has not conducted any drilling.

Sample Preparation, Analysis, and Security

No ground exploration activity was conducted by Sorrento Resources Inc on the Wing Pond Property and, therefore, there are no sample preparation, analysis, or security protocols to report.

Data Verification

Much of the data presented in this report has been compiled from assessment reports retrieved from Newfoundland's publicly available reports, online data sets, various publications, and technical reports. Based on the review of the available information, the author can attest that the information presented herein has been presented accurately as shown in those reports. The data obtained from previous assessment reports were reviewed, and the information therein was extracted and was generated with proper procedures; all relevant data were tabulated or georeferenced and plotted to confirm the information was relevant to the Property. Assay certificates were reviewed and were available from the historical assessment reports.

The author reviewed the geophysical data from the magnetic gradiometer survey conducted by Axiom in 2022 and believes that the procedures and methods used by Axiom are consistent with industry standards and are suitable for the purposes intended. Additionally, the author verified the data by looking for any spurious magnetic signatures, or anything that departed significantly from the coarse regional government magnetics. Generally, the magnetic signatures represented in the Axiom survey correspond well to the coarse regional government magnetics. The Author also compared the magnetics to the regional geology and previously interpreted large structural features in the area and found the gross features to reconcile well with the new, more detailed magnetic data provided by Axiom.

The exploration is at the early/prospecting stage. There were no limitations placed on the author with respect to data verification or site visits, and no other data verification measures were completed. The results from the mineral samples gathered by the author will not be used to calculate mineral resource or mineral reserve estimates.

In the author's opinion, the data used in this report are adequately reliable for the purposes of this technical report.

2021 Site Visit

The QP, Luke van der Meer, conducted a one-day site visit to the Property by road on February 12, 2022, to review the general geology and assess the Property's mineral potential. Steps taken to evaluate the Property included focused on confirming the property geology, confirming any mineralization, and other characteristics conducive to mineralization.

The seasonal weather conditions at the time of the site visit prevented the QP from accessing parts of the property and obtaining further beneficial information from it. The property topography is hilly (approximately 45m to 100 m above sea level) and is marked by numerous lakes and swamps, access was limited, and the predominance of outcrop was obscured by snow.

Samples were collected, and geological observations were made to confirm the property geology in those areas accessible to the QP at the time of the site visit. The occurrence of Jonathan's Pond Marine siliciclastic sediments and subordinate felsic volcanics was coincident with regional scale mapping available over the Property. The regional metamorphism to gneiss and subordinate greywacke within siliciclastic rocks is consistent with reports from regional descriptions and mapping. Minor quartz and carbonate veins were observed and are consistent with descriptions from regional mapping and mineral showings described in the local area.

No samples were submitted for analysis as mineralized outcrop was not observed during the site visit and further beneficial information would not be obtained from such test work in the context of this report.

Mineral Processing and Metallurgical Testing

This is an early-stage exploration project. No mineral processing or metallurgical testing have been carried out at this time.

Adjacent Properties

This Property does not have any relevant adjacent properties of note. The surrounding mineral claims are held by numerous individuals and junior exploration companies. The extent of recent or current mineral exploration, and any related significant results is unknown.

On January 5, 2021, Valorem Resources acquired the Wings Shear Property which is centered on the adjacent mineral showings and is located immediately to the east of the western block of the Wing Pond Property claims.

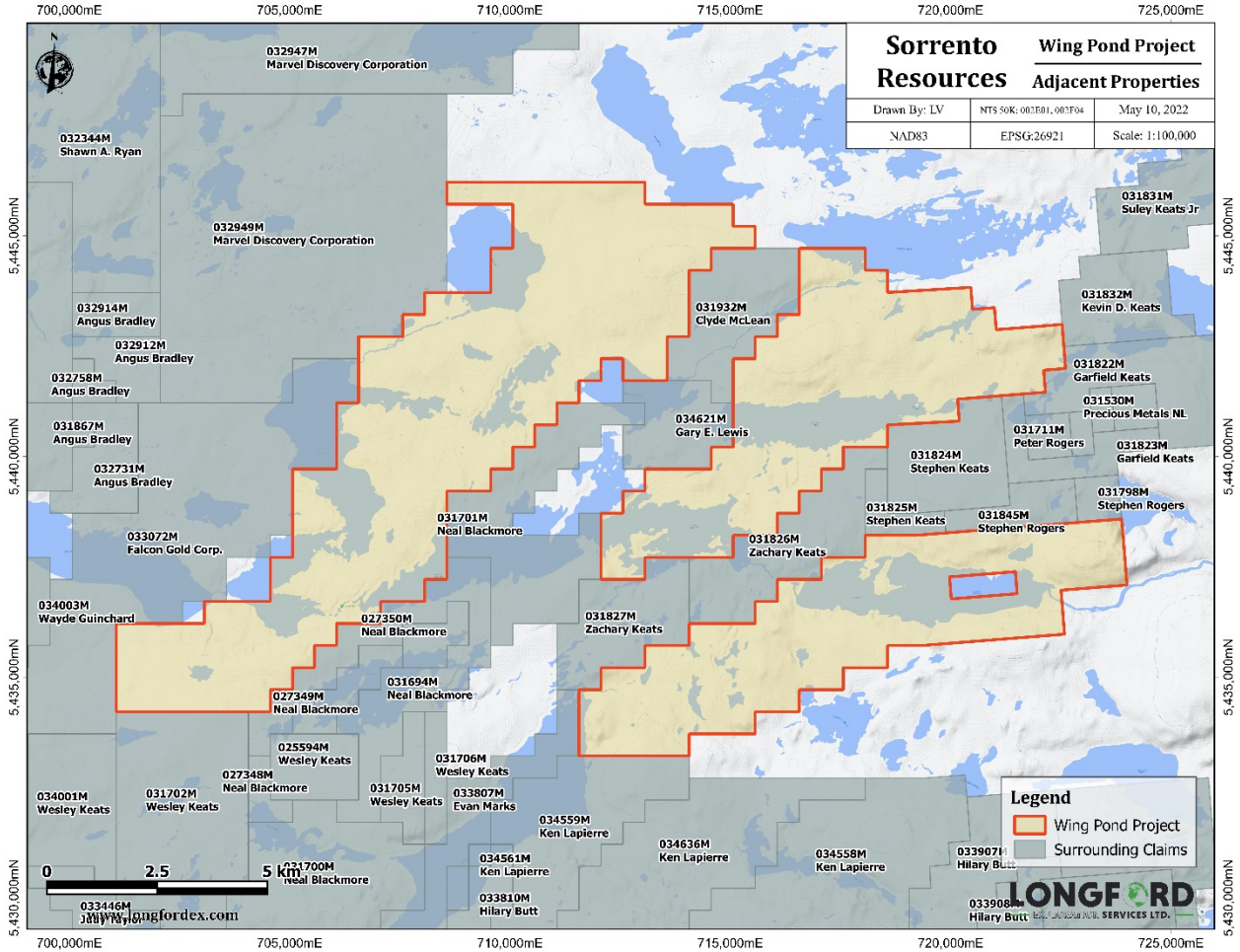


Figure 4: Adjacent Properties Surrounding the Wing Pond Property.

Other Relevant Data and Information

To the Author’s best knowledge, all the relevant data and information have been provided in the preceding text.

Interpretation and Conclusions

The Wing Pond Property comprises a camp scale exploration opportunity in eastern Newfoundland, and is an underexplored early-stage exploration project of merit which supports further exploration.

In addition to the historical work conducted on the Property, the regional-scale mapping and recent geophysical survey have provided a baseline of information which can be used to target potential mineralization on the Property. Follow-up geochemical sampling is lacking and, therefore, drilling targets have not been identified yet. Systematic mineral exploration is required across the Property to identify any mineral potential that may be hosted on the Property.

Based on the geophysics and available Property information, the following findings are noteworthy:

Geology

- The Property is located in the Gander Lake Subzone of the Dunnage Zone in eastern Newfoundland. The property is underlain by metasediments typically greenschist facies, psammitic and semipelitic metasedimentary rocks of the Jonathan's Pond Formation ("JPF"), which are overlain by fine-grained pelitic metasedimentary rocks and intercalated pebble to cobble conglomerate, maroon siltstone and basaltic lavas of the Indian Bay-Big Pond Formation.
- Significant parts of the property are overlain by variable thicknesses of glacial till. Higher elevation parts of the property are dominated by a 'till veneer' while 'thick' and 'hummocky' till is reported over lowland areas adjacent to lakes rivers and swamps that cover the property.
- The regional geophysical magnetic anomaly is consistent with the trend and pattern of the geophysical anomaly identified by the 2022 magnetic gradient survey the indicate the presence of high strain metamorphic rocks across the property that are consistent with the regionally mapped Wing Pond Shear Zone.
- The regional geological mapping suggests a favourable structural setting for greenstone related quartz carbonate vein type mineralization at the property.

Exploration

- The Property is underexplored with few recent results. Historical exploration is indicative of auriferous prospectivity, and the distribution and extent of favourable structural settings should be better understood.
- Systematic geochemical and mineralogical characterization should be undertaken across the Property to better define the continuity and tenor of potential mineralization on the Property.
- An initial field prospecting and systematic lithological characterization should be undertaken, complementary with the comprehensive soil geochemistry survey across any potentially mineralized areas.

Mineral Tenure

- Mineral tenure appears to be in good standing, and access to the Property and is accessible by ATV, 4x4 vehicles and on foot, no infrastructure is developed on the property. The Property is currently amenable to all - seasonal operations for surface geochemical sampling and future potential drilling exploration work.

Other Considerations

- The Wing Pond Property is situated in an economically and socio-politically stable area, and there are currently no known factors that would prevent further exploration or any future potential project development.
- There are currently no known factors that could impede future exploration programs or project development, with the exception of the surface rights.

Because this is an early-stage, grassroots exploration project, there is always the risk that the proposed work may not result in the discovery of an economically viable deposit. The author can attest that there are no significant, foreseeable risks or uncertainties with respect to the Property's potential economic viability or continued viability directly arising from the quality of the data provided within this technical report.

Recommendations

Based on conclusions outlined in Section 25 Interpretation and Conclusions, a two-phase exploration program is recommended to define any potential zones of anomalous indicator geochemistry and mineralization that correspond to the geophysical magnetic-high structural anomalies at the Property.

The two phases will include soil sampling, general prospecting, over a systematic evaluation grid, including an outcrop sampling program, as additional geophysics as described in Table 7 below.

Table 7: Proposed Budget.

	Description	Units	Rate (\$)	Amount (\$)
1	All in cost of soil/base of till sampling (400m x 400m grid) and field exploration program, Mob-Demob, Accommodation, Lodging. Personnel: 4 crew for 21 days (3 Weeks)	21	\$ 4,000.00	\$84,000
2	All in laboratory costs (Multi-element ICP MS)	650	\$ 50.00	\$32,500
Phase 1 Total				\$116,500
3	Additional Airborne Triaxial Magnetics Geophysical survey to expand on the existing survey.	1	\$ 100,000	\$100,000
4	Detailed geophysical and lithostructural analysis and interpretations to define AOI's of interest and focus subsequent geochemical sampling	1	\$ 10,000	\$10,000
5	All in cost of soil/base of till sampling (200m x 200m grid) and field exploration program, Mob-Demob, Accommodation, Lodging. Personnel: 4 crew for 49 days (7 Weeks)	49	\$ 4,000.00	\$196,000
6	All in laboratory costs (Multi-element ICP MS)	2500	\$ 50.00	\$125,000
Phase 2 Total				\$431,000
Grand Total				\$547,500

Phase 1:

- Conduct a geochemical soil sampling program on a 400 m x 400 m grid. A systematic soil sampling program, with selected areas of infill over areas of interest identified during concurrent prospecting. This survey may detect elevated Au and pathfinder element geochemistry, and other sources of metals to aid in generating follow up targets for Phase 2.
- Up to 600 Soil samples will be collected during the 21-Day field program. The work will be completed by a four-person field crew based in a fly-in camp on the property; the Property can likely be accessed completely by ATV or on foot.
- Additionally, the field crew would undertake a program of reconnaissance geological mapping, prospecting, and sampling to delineate the extent of auriferous mineralization in the local area. Sampling work would include rock chip and channel sampling across favourable structural zones and prospective lithology and other prospective areas of mineralization.

- Additional staking in the region is recommended, at the time of the writing of this report several areas of open land exist adjacent to the current property, these areas coincide with the wing Pond Shear zone structural corridor which forms the core of prospective areas on the Property.
- The estimated cost for phase 1 is approximately \$116,500 (Table 7).

Phase 2:

- Based on the results from Phase 1, infill geochemical sampling is recommended for Phase 2. Advancing to Phase 2 is contingent on positive results in Phase 1. At this time the balance of the gradient magnetic survey should be completed to provide property wide coverage.
- At the completion of the property wide geophysical survey a detailed analysis and interpretation should be undertaken to determine potential lithostructural controls on mineralization, and to define geochemical survey areas for subsequent infill or more detailed mapping.
- Conduct further infill geochemical soil sampling program on a 200 m x 200 m grid with spacing as little as 50m x 50m to define specific target zones. This survey will further refine exploration targeting and constrain Au and pathfinder element geochemistry, and other sources of metals to aid in generating follow up targets.
- Up to 2,500 Soil samples will be collected during the 49-Day field program. The work will be completed by a four-person field crew based in a fly-in camp on the property; the Property can likely be accessed completely by ATV or on foot.
- Additionally, the field crew would undertake a program of reconnaissance geological mapping, prospecting, and sampling to delineate the extent of auriferous mineralization in the local area. Sampling work would include rock chip and channel sampling across favourable structural zones and prospective lithology and other prospective areas of mineralization.
- The estimated cost for phase 2 is approximately \$431,000 (Table 7).

CERTIFICATE OF SORRENTO RESOURCES LTD.

Dated: December 22, 2022

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

"Brayden R. Sutton"

BRAYDEN R. SUTTON

Chief Executive Officer and President

"Bobby S. Dhaliwal"

BOBBY S. DHALIWAL

Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF
SORRENTO RESOURCES LTD.**

"T. Joshua Taylor"

T. JOSHUA TAYLOR

Director

"Brent M. Clark"

BRENT M. CLARK

Director

"Samantha L. Shorter"

SAMANTHA L. SHORTER

Director

CERTIFICATE OF THE PROMOTER

Dated: December 22, 2022

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

"Brayden R. Sutton"

BRAYDEN R. SUTTON

CERTIFICATE OF THE AGENT

Dated: December 22, 2022

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

LEEDE JONES GABLE INC.

"Richard H. Carter"

RICHARD H. CARTER

Executive Vice President, General Counsel and
Corporate Secretary

SCHEDULE “A”

Additional Information

14. Capitalization

14.1 Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non- diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	15,050,966 ⁽¹⁾	18,140,553 ⁽¹⁾⁽²⁾	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	6,616,666	8,691,666	43.96%	47.91%
Total Public Float (A-B)	8,434,300	9,448,887	56.04%	52.09%
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	5,216,666 ⁽³⁾	7,866,666 ⁽³⁾	34.66%	43.37%
Total Tradeable Float (A-C)	9,834,300	10,273,887	65.34%	56.63%

(1) After giving effect to the completion of the minimum Initial Public Offering (the “**Offering**”) and the initial issuance of shares pursuant to the mineral property option payment. The current issued shares prior to the Offering are 9,166,666 common shares.

(2) Includes shares issuable pursuant currently outstanding warrants (2,650,000) and the Agent’s Compensation Options (439,587).

(3) Subject to Form 46-201F1 Escrow Agreement dated as of December 22, 2022. There are several shareholders whose warrants only are subject to escrow.

Public Securityholders (Registered)

Instruction: For the purposes of this report, “public securityholders” are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	<u>0</u>	<u>0</u>
100 – 499 securities	<u>0</u>	<u>0</u>
500 – 999 securities	<u>0</u>	<u>0</u>
1,000 – 1,999 securities	<u>0</u>	<u>0</u>
2,000 – 2,999 securities	<u>0</u>	<u>0</u>
3,000 – 3,999 securities	<u>0</u>	<u>0</u>
4,000 – 4,999 securities	<u>0</u>	<u>0</u>
5,000 or more securities	<u>18</u>	<u>8,434,300</u>
Total:	<u>18</u>	<u>8,434,300</u>

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	<u>0</u>	<u>0</u>
100 – 499 securities	<u>0</u>	<u>0</u>
500 – 999 securities	<u>7</u>	<u>4,000</u>
1,000 – 1,999 securities	<u>7</u>	<u>7,500</u>
2,000 – 2,999 securities	<u>6</u>	<u>12,800</u>
3,000 – 3,999 securities	<u>4</u>	<u>12,000</u>
4,000 – 4,999 securities	<u>1</u>	<u>4,500</u>
5,000 or more securities	<u>142</u>	<u>8,393,500</u>
Unable to confirm	<u>0</u>	<u>0</u>
Total:	<u>167</u>	<u>8,434,300</u>

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, “non-public securityholders” are persons enumerated in section (B) of the issued capital chart.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	<u>0</u>	<u>0</u>
100 – 499 securities	<u>0</u>	<u>0</u>
500 – 999 securities	<u>0</u>	<u>0</u>
1,000 – 1,999 securities	<u>0</u>	<u>0</u>
2,000 – 2,999 securities	<u>0</u>	<u>0</u>
3,000 – 3,999 securities	<u>0</u>	<u>0</u>
4,000 – 4,999 securities	<u>0</u>	<u>0</u>
5,000 or more securities	<u>8</u>	<u>6,616,666</u>
Total:	<u>8</u>	<u>6,616,666</u>

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities.

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
<u>Stock Options:</u>	nil	nil
<u>Warrants:</u> 1,000,000 @ \$0.05 Expiry Date: November 19, 2024 300,000 @ \$0.05 Expiry Date: December 3, 2024 1,350,000 @ \$0.05 Expiry Date: December 14, 2024	2,650,000	2,650,000
<u>Agent's Compensation Option:</u> To be issued on closing of the maximum Offering and convertible at the election of the holder for a period of twenty-four (24) months from the listing of the Issuer's common shares on the Exchange at a price of \$0.25 per share.	439,587	439,587
Total Convertible Securities:	3,089,587	3,089,587

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

None

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, **Sorrento Resources Ltd.**, hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to **Sorrento Resources Ltd.** It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated this 21st day of February, 2023.

"Brayden R. Sutton"

Brayden R. Sutton

President, Chief Executive Officer and Promoter

"Bobby S. Dhaliwal"

Bobby S. Dhaliwal

Chief Financial Officer

"T. Joshua Taylor"

T. Joshua Taylor

Director

"Brent M. Clark"

Brent M. Clark

Director

"Samantha L. Shorter"

Samantha L. Shorter

Director