EAGLE ROYALTIES LTD.

CSE FORM 2A

LISTING STATEMENT

May 24, 2023

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GLOSSARY

The following is a glossary of general terms and abbreviations used in this Listing Statement:

"**138**" means 1386884 B.C. Ltd., a corporation incorporated under the laws of the Province of British Columbia;

"**138 Shares**" means the common shares in the capital of 138;

"**138 Shareholders**" means, collectively, the shareholders of 138;

"**138 Subscription Receipt**" means one (1) subscription receipt issued by 138 at the Issue Price pursuant to the Concurrent Financing that shall, upon satisfaction of the Escrow Release Conditions, convert into one (1) 138 Unit;

"**138 Unit**" means one (1) 138 Share and one-half (1/2) of one 138 Warrant that shall, at the Effective Time, automatically convert into units of the Corporation;

"**138 Warrant**" means a common share purchase warrant, each 138 Warrant entitling the holder to acquire one common at a price of $0.50 per share for a period of 24 months following the satisfaction of Escrow Release Conditions;

"**ABCA**" means the *Business Corporations Act* (Alberta), as amended, together with all regulations promulgated pursuant thereto;

"**Amalgamation**" means the amalgamation of 138 and Eagle Royalties to form the Corporation pursuant to the terms of the Amalgamation Agreement;

"**Amalgamation Agreement**" means the amalgamation agreement dated as of February 28, 2023 among 138, Eagle Royalties and Eagle Plains;

"**Applicable Securities Laws**" means, collectively, and as the context may require, the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time;

"**Arrangement**" means the arrangement under Section 193 of the ABCA pursuant to which Eagle Plains proposes to reorganize its business and transfer the Spin-Off Assets to Eagle Royalties;

"**Arrangement Agreement**" means the agreement dated as of February 28, 2023 between Eagle Plains and Eagle Royalties, and any amendments or variations thereto;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, together with all regulations promulgated pursuant thereto;

"**Concurrent Financing**" means the equity financing for gross aggregate proceeds of at least $3,000,000 to be conducted by 138 prior to the Effective Date, as more particularly described at Section 3.1 *General Development of the Business - Concurrent Financing* of this Listing Statement;

"**Contractually Escrowed Securityholder**" means former Eagle Plains Securityholders and certain 138 Shareholders subject to certain contractual escrow terms.

"**Corporation**" means the amalgamated corporation continuing from the Amalgamation of 138 and Eagle Royalties;

"**Corporation Shares**" means the common shares in the capital of the Corporation;

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

"**Depositary**" means TSX Trust;

"**DRS Statement**" means a direct registration system statement evidencing ownership of shares;

"**Eagle Plains**" means Eagle Plains Resources Ltd., a corporation incorporated under the ABCA, whose common shares are listed on the TSXV;

"**Eagle Plains Butterfly Shares**" means the new series of preferred shares that Eagle Plains will create and issue and for which the Eagle Plains Class A Shares are, in part, to be exchanged under the plan of arrangement;

"**Eagle Plains Class A Shares**" means the Eagle Plains Shares as renamed and redesignated as Class A Common Shares under the Arrangement;

"**Eagle Plains New Shares**" means a new class of common shares without par value which Eagle Plains will create and issue and for which the Eagle Plains Class A Shares are, in part, to be exchanged under the plan of arrangement and which will, immediately after completion of the transactions comprising the plan of arrangement, be identical in every relevant respect to the Eagle Plains Shares;

"**Eagle Plains Note**" the promissory note by Eagle Plains for the purchase of all of the Eagle Plains Butterfly Shares held by Eagle Royalties;

"**Eagle Plains Options**" means Eagle Plains share purchase options issued pursuant to the Eagle Plains stock option plan which are outstanding on the Effective Date;

"**Eagle Plains Securityholders**" means, collectively, the Eagle Plains Shareholders, the holders of Eagle Plains Options and the holders of Eagle Plains Warrants;

"**Eagle Plains Shareholders**" means the shareholders of Eagle Plains;

"**Eagle Plains Warrants**" means Eagle Plains share purchase warrants issued prior to, and which are outstanding on, the Effective Date;

"**Eagle Royalties**" means Eagle Royalties Ltd., a corporation incorporated under the ABCA as a wholly-owned subsidiary of Eagle Plains;

"**Eagle Royalties Commitment**" means the covenant of Eagle Royalties to issue Eagle Royalties Shares to the holders of Eagle Plains Stock Options or Eagle Plains Warrants which are outstanding as of the Effective Date and are entitled pursuant to the corporate reorganization provisions thereof to receive Eagle Plains New Shares and Eagle Royalties Shares;

"**Eagle Royalties Note**" means the promissory note issued by Eagle Royalties for the purchase of all of the Eagle Royalties Reorganization Shares held by Eagle Plains;

"**Eagle Royalties Reorganization Shares**" means the new series of preferred shares which Eagle Royalties will create and issue and for which the Spin-Off Assets are, in part, to be exchanged under the plan of arrangement;

"**Eagle Royalties Shareholders**" means the shareholders of Eagle Royalties;

"**Eagle Royalties Shares**" means the common shares without par value of Eagle Royalties;

"**Effective Date**" means the date upon which the Amalgamation becomes effective;

"**Escrow Release Conditions**" means the following conditions required to convert each 138 Subscription Receipt into one 138 Unit:

(a) completion or satisfaction or waiver of all conditions precedent to the Transaction other than the release of funds held in escrow; and

(b) receipt of all required shareholder and regulatory approvals (including any required approval required by the CSE, if and as applicable, in connection with: (i) the Transaction and (ii) the Corporation Shares being conditionally approved for listing on the CSE;

"**Escrow Shares**" means Corporation Shares held by related persons of the Corporation after completion of the Transaction, which are subject to a statutory escrow period of 36 months following the Listing Date;

"**Finder's Fee Warrant**" means one common share purchase warrant entitling the holder thereof to acquire one Corporation Share at the Issue Price for a period of 24 months following the Effective Date;

"**Governmental Authority**" means any federal, state, provincial and municipal government, regulatory authority, governmental department, ministry, agency, commission, bureau, official, minister, crown corporation, court, board, tribunal, stock exchange, dispute settlement panel or body or other law, rule or regulation-making entity having jurisdiction;

"**Issue Price**" means $0.30 per security;

"**KPMG**" means KPMG LLP;

"**Listing Date**" means the date on which the Corporation Shares are listed on the CSE;

"**McQuesten (AurMac) Project**" means the mineral exploration project conducted by Banyan Gold Corp. in Yukon Territory;

"**Person**" includes an individual, sole proprietorship, corporation, company, body corporate, incorporated or unincorporated association, syndicate or organization, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, joint stock company, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, a government or Governmental Authority or other entity, whether or not having legal status;

"**President's List**" means the list of purchasers introduced by the Eagle Plains or Eagle Royalties to purchase 138 Units under the Concurrent Financing.

"**Spin-Off Assets**" means a majority of the royalty interests held by Eagle Plains which are to be transferred to Eagle Royalties pursuant to the Arrangement, as more particularly described in this Listing Statement at Section 4.1 - *Narrative Description of the Business - The Spin-Off Assets*;

"**Spin-Off Transaction**" means the transaction that will result in the transfer of the Spin-Off Assets from Eagle Plains to Eagle Royalties and which will be effected by the Arrangement;

"**Transaction**" means collectively, the Spin-Off Transaction pursuant to the Arrangement and the Amalgamation;

"**Transfer Agent**" means TSX Trust;

"**TSX Trust**" means TSX Trust Company;

"**TSXV**" means the TSX Venture Exchange Inc.; and

"**U.S. GAAP**" means the Generally Accepted Accounting Principles issued by the Financial Accounting Standards Board in the United States.

1. INTRODUCTION

Information contained in this Listing Statement is given as of May 24, 2023, unless otherwise specifically stated.

There can be no assurance that any intended or proposed activity or transaction will occur or that, if any such action or transaction is undertaken, it will be completed on terms currently intended by the Corporation.

This Listing Statement contains information based on current expectations. Certain statements herein may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used herein, such statements use such words as "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "potential" and similar expressions are intended to identify forward-looking statements or information. These statements reflect expectations regarding future events and performance but speak only as of the date hereof. Forward-looking statements include, among others, statements with respect to planned acquisitions, strategic partnerships or other transactions not yet concluded; plans to market, sell and distribute products; market competition; plans to retain and recruit personnel; the ability to secure funding; and the ability to obtain regulatory and other approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements.

Furthermore, the combined and/or *pro forma* information set forth in this Listing Statement should not be interpreted as indicative of the financial position or other results of operations had Eagle Royalties and 138 operated as a combined entity as at or for the periods presented, and such information does not purport to project the Corporation's results of operations for any future period. As such, undue reliance should not be placed on such combined and/or *pro forma* information.

The forward-looking statements and information included and incorporated by reference in this Listing Statement are based on certain expectations and assumptions made by the Corporation, including expectations and assumptions concerning:

- the expected benefits from the Transaction;
- taxes and capital, operating, general and administrative and other costs;
- general economic and business conditions;
- the ability of the Corporation to obtain the required capital to finance its operations and meet its commitments and financial obligations following the Transaction;
- the ability of the Corporation to obtain equipment, services, supplies and personnel in a timely manner and at an acceptable cost to carry out its activities following the Transaction;
- the timely receipt of required governmental and regulatory approvals;

2. CORPORATE STRUCTURE

2.1 Corporate Name and Head and Registered Office

The full corporate name of the Corporation will be Eagle Royalties Ltd. The registered office of the Corporation will be located at Third Floor, 14505 Bannister Road SE, Calgary, Alberta T2X 3J3 and the head office will be located at Suite 200, 44 - 12th Avenue South, Cranbrook, British Columbia V1C 2R7.

2.2 Jurisdiction of Incorporation

Eagle Royalties

Eagle Royalties was incorporated under the ABCA on January 21, 2022, as a wholly-owned subsidiary of Eagle Plains.

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138 was incorporated under the BCBCA on November 15, 2022. Immediately prior to giving effect to the Amalgamation, and subject to 138 Shareholder approval, 138 is expected to continue into the Province of Alberta as a corporation existing under the ABCA.

Corporation

The Corporation will be formed as a result of the Amalgamation between Eagle Royalties and 138 on May 19, 2023 pursuant to the provisions of the ABCA. Upon Amalgamation, the Corporation will become a reporting issuer in Alberta, Saskatchewan British Columbia and Ontario.

2.3 Intercorporate Relationships

The Corporation does not have any subsidiaries.

2.4 Fundamental Changes.

See Section 3.1 – *General Development of the Business.*

2.5 Non-Corporate Issuers

This section is not applicable to the Corporation.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Business

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138 was incorporated on November 15, 2022, under the BCBCA for the sole purpose of completing the Concurrent Financing and the Amalgamation. 138 has no active business and its sole activities since incorporation have been the completion of an initial seed financing, the negotiation and execution of the Amalgamation Agreement, the pursuit of the Concurrent Financing and the transactions contemplated by the Amalgamation Agreement.

On December 6, 2022, 138 completed an initial private placement of 5,000,000 138 Shares at a price of $0.02 per share, generating aggregate gross proceeds of $100,000, to be used for 138's expenses associated with the transactions contemplated by the Amalgamation Agreement. 138 has not issued or granted any options or warrants or other similar securities that are convertible into 138 Shares, but it may do so as part of the Concurrent Financing, as described below.

Concurrent Financing

Concurrent with the Transaction, 138 will conduct the Concurrent Financing whereby 138 will raise gross proceeds of a minimum of $3,000,000 and a maximum of $3,300,000 through the issuance of 138 Subscription Receipts at a price of $0.30 (the "**Issue Price**") per 138 Subscription Receipt prior to the Effective Date.

Each 138 Subscription Receipt shall be convertible into one unit of 138 (a "**138 Unit**") upon satisfaction of the Escrow Release Conditions. Each 138 Unit shall consist of one (1) common share of 138 and one-half (1/2) of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**") of 138. Each full Warrant shall entitle the holder to acquire one common share (a "**Warrant Share**") at a price per Warrant Share of $0.50 for a period of 24 months following the satisfaction of the Escrow Release Conditions. Upon completion of the Transaction, 138 Units will be automatically converted into units of the Corporation on a one-for-one basis.

The gross proceeds from the Concurrent Financing will be delivered to and held by S. Paul Simpson Law Corporation (the "**Escrow Agent**") and invested pursuant to the terms of a subscription receipt agreement (the "**Subscription Receipt Agreement**").

The 138 Subscription Receipts will be eligible for sale in each of the provinces of Canada and/or in jurisdictions other than Canada that are agreed to by 138. In conducting the Concurrent Financing, 138 expects to rely upon prospectus exemptions under securities laws applicable to subscribers who are "accredited investors" or to subscribers who are residents outside of Canada. In distributing Corporation Shares to holders of 138 Units, the Corporation will rely on the prospectus exemption available for distributions of securities issued in connection with an amalgamation, merger, reorganization or arrangement under a statutory procedure. It is expected that the net proceeds of the Concurrent Financing will be used by the Corporation for operating expenses, working capital, transaction expenses, as well general corporate expenses.

It is a condition to the completion of the Transaction that 138 will have completed the Concurrent Financing prior to the Effective Date. If the Concurrent Financing is not completed, the Transaction will not be consummated.

To the knowledge of each of 138 and Eagle Royalties, no directors or officers of 138 or Eagle Royalties are expected to participate in the Concurrent Financing.

Compensation

In connection with the Concurrent Financing and unless as otherwise agreed to between the applicable parties, 138 shall pay a finder's fee equal to 7% commission in cash or 138 Units issuable at the Issue Price at the election of the finder, and 7.0% of the gross proceeds realized from the sale of 138 Units under the Concurrent Financing to purchasers not on the President's List, payable in warrants of 138 (the "**Finder's Fee Warrants**"). Each Finder's

Fee Warrant shall entitle the holder thereof to acquire one common share at the Issue Price for a period of 24 months following the Effective Date.

Eagle Royalties

Eagle Royalties was incorporated as a wholly-owned subsidiary of Eagle Plains on January 21, 2022. Eagle Royalties has not carried on any active business, and until the Transaction is effected, Eagle Royalties will have no significant assets or liabilities, will conduct no operations and will not, except in connection with the Arrangement, issue shares in its capital. Following the completion of the Transaction, the Corporation's principal assets will be cash and/or cash equivalents, which will primarily comprise the net proceeds from the Concurrent Financing, and the Spin-Off Assets.

The Arrangement

On February 28, 2023, Eagle Royalties entered into the Arrangement Agreement with its parent company, Eagle Plains. The Arrangement will be effected pursuant to the plan of arrangement as contemplated in Arrangement Agreement.

Pursuant to the plan of arrangement, commencing at the Effective Time, each of the steps, events or transactions set out below shall occur and shall be deemed to occur sequentially in the order set out below without any further authorization, act or formality, in each case, unless stated otherwise (provided that none of the following shall occur unless all of the following occur):

1. Subscription of Eagle Royalties Shares

Eagle Plains shall subscribe for 5,176,425 Eagle Royalties Shares for the aggregate cash subscription price of $103,528.50.

2. Eagle Royalties Share Reorganization

The authorized share capital of Eagle Royalties shall be amended by creating the Eagle Royalties Reorganization Shares.

3. Eagle Plains Share Reorganization

The authorized share capital of Eagle Plains shall be amended as follows:

i. renaming and redesignating all of the issued and unissued Eagle Plains Shares as Eagle Plains Class A Shares;

ii. creating an unlimited number Eagle Plains New Shares with terms identical to the Eagle Plains Class A Shares; and

iii. creating an unlimited number of Eagle Plains Butterfly Shares.

4. Eagle Plains Class A Share Exchange

Each Eagle Plains Shareholder shall be deemed to have automatically exchanged each of their issued and outstanding Eagle Plains Class A Shares outstanding on the Effective Date for one (1) Eagle Plains New Share and one-third (1/3) of an Eagle Plains Butterfly Share.

The aggregate fair market value of the Eagle Plains Butterfly Shares will be equal to the fair market value of the Spin-Off Assets.

5. *Eagle Plains Butterfly Shares Rollover*

Each holder of Eagle Plains Butterfly Shares shall transfer to Eagle Royalties their Eagle Plains Butterfly Shares in exchange for Eagle Royalties Shares on a 1:1 basis.

The aggregate fair market value of the Eagle Royalties Shares received pursuant to the transfer will be equal to the fair market value of the Spin-Off Assets.

6. *Rollover of Spin-Off Assets*

Eagle Plains shall transfer the Spin-Off Assets to Eagle Royalties in exchange for:

i. that number of Eagle Royalties Reorganization Shares the aggregate fair market value of which equals the fair market value of the Spin-Off Assets; and

ii. the Eagle Royalties Commitment.

7. *Redemption of Eagle Royalties Reorganization Shares and Eagle Plains Butterfly Shares*

Eagle Royalties will purchase for cancellation all of the Eagle Royalties Reorganization Shares held by Eagle Plains for a redemption amount equal to the fair market value of the Spin-Off Assets, payable by way of the Eagle Royalties Note.

Eagle Plains will purchase for cancellation all of the Eagle Plains Butterfly Shares held by Eagle Royalties for a redemption amount equal to the fair market value of the Spin-Off Assets, payable by way of the Eagle Plains Note.

8. *Set-Off of Eagle Royalties Note and Eagle Plains Note*

The Eagle Royalties Note and the Eagle Plains Note will each be satisfied by way of set-off against each other.

9. *Cancellation of Eagle Plains Class A Shares and Eagle Plains Butterfly Shares*

The Eagle Plains Class A Shares and the Eagle Plains Butterfly Shares shall be cancelled, and the authorized capital of Eagle Plains shall consist solely of the Eagle Plains New Shares.

10. *Cancellation of Eagle Royalties Reorganization Shares*

The Eagle Royalties Reorganization Shares shall be cancelled, and the authorized capital of Eagle Royalties shall solely consist of the Eagle Royalties Shares.

11. *Treatment of Eagle Plains Warrants and Eagle Plains Options*

After the completion of the Amalgamation and provided they have not expired, each Eagle Plains Warrant and vested Eagle Plains Option shall be exercisable into:

ii. that number of Eagle Plains New Shares that equals the number of Eagle Plains Shares that would have been issued under such Eagle Plains Warrant or Eagle Plains Option, as the case may be; and

iii. that number of Corporation Shares issued pursuant to the Eagle Royalties Commitment, that equals one-third (1/3) of the number of Eagle Plains Shares that would have been issued under such Eagle Plains Warrant or Eagle Plains Option, as the case may be.

In summary, through a series of steps, Eagle Plains will transfer the Spin-Off Assets from Eagle Plains to Eagle Royalties. As part of the Spin-Off Transaction, Eagle Royalties plans to issue an aggregate of approximately 42 million Eagle Royalties Shares, of which it is expected that approximately 5.2 million Eagle Royalties Shares will be issued to Eagle Plains and the remaining approximately 36.8 million Eagle Royalties Shares will be distributed to Eagle Plains Shareholders on a 1:3 basis. The Spin-Off Transaction, which will be effected by the Arrangement, contemplates the transfer of the Spin-Off Assets to Eagle Royalties.

For certain key summary information regarding the Spin-Off Assets, please see Section 4.1 - *Narrative Description of the Business*.

Procedure for Exchange of Eagle Plains Securities

Issuance of Eagle Plains New Shares

Recognizing that the Eagle Plains Shares shall be renamed and redesignated as Eagle Plains Class A Shares, and that the Eagle Plains Class A Shares will be exchanged partially for Eagle Plains New Shares on a 1:1 basis, pursuant to the Arrangement Agreement, Eagle Plains will not issue replacement share certificates representing the Eagle Plains Class A Shares or Eagle Plains New Shares, and all share certificates representing the Eagle Plains Shares shall for all purposes be deemed to represent Eagle Plains New Shares.

No further act or formality will be required on the part of Eagle Plains Shareholders to facilitate the issuance of the issuance of Eagle Plains New Shares pursuant to the Arrangement Agreement.

Any Eagle Plains Shares traded after the Effective Date will represent Eagle Plains New Shares as of the Effective Date and shall not carry any rights to receive Eagle Royalties Shares.

If any certificate that immediately prior to the Effective Time represented one or more outstanding Eagle Plains Shares shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the Eagle Plains New Shares and Eagle Royalties Shares that such holder is entitled to receive in accordance with the Arrangement Agreement. When authorizing such delivery of Eagle Plains New Shares and Eagle Royalties Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such securities are to be delivered shall, as a condition precedent to the delivery of such Eagle Plains New Shares and Eagle Royalties Shares, give a bond satisfactory to Eagle Plains, Eagle Royalties and the Depositary in such amount as Eagle Plains, Eagle Royalties and the Depositary may direct, or otherwise indemnify Eagle Plains, Eagle Royalties and the Depositary in a manner satisfactory to Eagle Plains, Eagle Royalties and the Depositary, against any claim that may be made against Eagle Plains, Eagle Royalties or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the Constating Documents of Eagle Plains.

Issuance of Eagle Royalties Shares

Pursuant to the Arrangement Agreement, following the Effective Date, Eagle Royalties shall cause to be issued to the registered holders, other than Dissenting Shareholders, of Eagle Plains Shares as of the Effective Date, share certificates or DRS Statements representing the Eagle Royalties Shares of which each such Eagle Plains Shareholder will be the registered holder at the close of business on the Effective Date. Such share certificates and DRS Statements will be held by the Depositary for the benefit of such Eagle Plains Shareholders until such Eagle Plains Shares are exchanged or deemed to be exchanged for Corporation Shares pursuant to the Amalgamation Agreement, and such share certificates and DRS Statements shall then be cancelled by the Transfer Agent.

No further act or formality will be required on the part of Eagle Plains Shareholders to facilitate the issuance of the Eagle Royalties Shares pursuant to the Arrangement Agreement.

Procedure for Exchange of Other Securities

Issued and outstanding Eagle Plains Options or Eagle Plains Warrants will not be amended or replaced.

Pursuant to the Arrangement Agreement, following the completion of the Amalgamation, all unexpired and vested Eagle Plains Options and unexpired Eagle Plains Warrants shall be exercisable, pursuant to their terms, into that number of:

i. Eagle Plains New Shares that would have been issued under such exercised option or warrant; and

ii. Corporation Shares equal to one-third (1/3) of the number of such Eagle Plains New Shares.

Withholdings

Eagle Plains, Eagle Royalties, and the Depositary shall be entitled to deduct or withhold from any amounts payable to any person under the plan of arrangement, as are required to be deducted or withheld with respect to such payment under the *Income Tax Act* (Canada) or any provision of any other applicable laws. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated, for all purposes of the plan of arrangement, as having been paid to the persons in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority.

<u>The Amalgamation</u>

Following the completion of the Arrangement, the Amalgamation will be effected pursuant to the terms of the Amalgamation Agreement which provides for, among other things, the amalgamation of 138 and Eagle Royalties to form the Corporation, the shares of which will be traded on the CSE, subject to approval by the CSE and in compliance with the listing rules and policies of the CSE.

Pursuant to the Amalgamation Agreement, the exchange of 138 Shares and Eagle Royalties Shares for Corporation Shares will be completed on a 1:1 basis. Immediately following the Amalgamation and after giving effect to the Concurrent Financing, but prior to the exercise of any Eagle Plains Options or Eagle Plains Warrants, Eagle Plains shall own approximately 9%, former Eagle Royalties Shareholders (other than Eagle Plains) shall own approximately 65% and former 138 Shareholders, including 138 Shareholders who were subscribers in the Concurrent Financing, shall own approximately 26% of the issued and outstanding Corporation Shares.

3.2 Significant Acquisitions and Dispositions

The only significant acquisition of the Corporation for which financial statements would be required under National Instrument 41-101 - *General Prospectus Requirements* ("**NI 41-101**") if this Listing Statement were a prospectus is the proposed acquisition of the Spin-Off Assets pursuant to the Transaction. Details regarding the Spin-Off Assets can be found at Section 4.1 - *Narrative Description of the Business - The Spin-Off Assets*.

The Corporation has not completed any significant disposition during the most recently completed financial year or the current financial year for which *pro forma* financial statements would be required under NI 41-101 if this Listing Statement were a prospectus.

3.3 Trends, Commitments, Events or Uncertainties

Management is not aware of any other trend, commitment, event or uncertainty that might reasonably be expected to have a material effect on the Corporation's business, financial condition or results of operation as at the date of this Listing Statement, except as otherwise disclosed herein or except in the ordinary course of business.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General

Following the completion of the Transaction, the Corporation will carry on the business and operations of Eagle Royalties and 138 on a combined basis and its headquarters will be located in Cranbrook, British Columbia. The principal regulator of the Corporation will be the British Columbia Securities Commission. The principal assets of the Corporation will be cash or cash equivalents and the Spin-Off Assets, and the principal business of the Corporation will be that of a royalty company. A royalty is a right to receive payment based on a percentage of the minerals or other products produced at a mine or of the revenues or profits generated from the sale of those minerals or other products at a mine.

After listing on the CSE, the Corporation will operate as a publicly listed royalty company and its objective is to become a leading royalty and streaming company to maximize returns for its shareholders.

The Spin-Off Assets

The Spin-Off Assets consist of approximately 50 royalty interests held by Eagle Plains. These royalty assets cover a broad range of commodities including gold, silver, uranium, critical metals including copper, zinc, rare earth elements ("**REEs**"), lithium, cobalt, and others, including diamonds and industrial minerals. The royalty interests are located in western Canada, specifically in British Columbia, Yukon and Saskatchewan. Many royalties are associated with property interests held by major mining corporations including Cameco Corp., Iso Energy Corp., Denison Mines Corp., Skeena Resources Ltd. and Hecla Mining Co./Banyan Gold Corp., among others. Some of the royalty interests are associated with mineral tenures held 100% by Eagle Plains.

Following is a summary list of all the Spin-Off Assets:

Royalty Assets	Operator / Option Partner	NSR Terms	Commodity
BC Royalties			
Acacia	Eagle Plains	2% NSR, Buy-back 1% for $1m	Gold, Silver, Lead, Zinc, Copper
Adamant	Eagle Plains	2% NSR, Buy-back 1% for $1m	REEs, Niobium, Industrial Minerals, Silver, Tantalum
Beaven	Eagle Plains	2% NSR, Buy-back 1% for $1m	Gold, Silver, Copper, Molybdenum
Black Diamond	Eagle Plains	2% NSR, Buy-back 1% for $1m	Silver, Lead, Zinc, Gold, Copper
Blackwater (Regional)	Eagle Plains	2% NSR, Buy-back 1% for $1m	Gold
Coyote Creek	Eagle Plains	$1.50/tonne, Buy-back 50% for $1M	Gypsum, Zinc, Vanadium, Nickel, Molybdenum
Eskay Creek	Skeena Resources Ltd.	2% NSR, Buydown 1% for $1m	Gold
Haskins	Eagle Plains	2% NSR, Buy-back 1% for $1m	Copper, Molybdenum
Hot Punch	Green River Gold Corp.	2% NSR, Buydown 1% for $1m	Gold, Silver, Lead, Zinc
Hunter Basin	Standard Drilling and Engineering	2% NSR, Buydown 1% for $1m, 0% for additional $5M	Gold
Ice River	Eagle Plains	2% NSR, Buy-back 1% for $1m	REEs, Industrial Minerals, Lead, Zinc, Gold
Jake	Eagle Plains	1% NSR, underlying sale agreement	Gold
K9	Eagle Plains	2% NSR, Buy-back 1% for $1m	Silver, Lead, Zinc, Copper, Cobalt
Kalum	Rex Resources	2% NSR, Buydown 1% for $1m	Gold, Silver

Royalty Assets	Operator / Option Partner	NSR Terms	Commodity
LCR	Eagle Plains	2% NSR, Buy-back 1% for $1m	Copper
Lost Horse	Eagle Plains	1.5% NSR on certain claims and 2% NSR on certain claims; underlying sale agreement with 0.5% NSR on certain claims with 0.5% buydown for $500,000	Gold, Copper
Mount Graves	ATAC Resources Ltd.	2% NSR, Buydown 1% for $500k	Copper, Gold
Mount Polley West (Jacobie)	Eagle Plains	2% NSR, Buy-back 1% for $1m	Copper, Gold
Slocan Graphite	Eagle Plains	2% NPR, Buydown 1% for $1m	Graphite
Wildhorse	Eagle Plains	2% NSR, Buy-back 1% for $1m	Gold, Silver, Copper

Saskatchewan Royalties

Albert Lake (Tremblay-Olson)	Fathom Nickel Inc.	2% NSR, Buydown 1% for $1m	Nickel, Copper, Cobalt, Palladium, Platinum
American North*	Okapi Resources Canada Ltd.	2% NSR, Buydown 1% for $1m	Uranium
Axis Lake	Cameco Corp.	2% NSR, Buydown 1% for $1m	Nickel, Cobalt, Copper
BC MAS	Mas Gold Corp.	2% NSR, Buydown 1% for $1m	Gold
Bell Lake	ISO Energy Ltd.	2% NSR, Buydown 1% for $1m	Uranium
Brownell Lake	Pacific Imperial Mines Inc.	2% NSR, Buy-back 1% for $1m	Copper, Zinc, Gold
Cable Bay 2.0	Cosa Resources Ltd.	2% NSR, Buydown 1% for $1m	Uranium
Cathro	SKRR Exploration Inc.	2% NSR, Buydown 1% for $1m	Gold

Royalty Assets	Operator / Option Partner	NSR Terms	Commodity
Cup Lake	Eagle Plains	2% NSR, Buy-back 1% for $1m	REE
Derksen (PLS Regional)	Denison Mines Corp.	2% NSR, Buydown 1% for $850K	Uranium
Dianne Lake	Eagle Plains	2% NSR, Buy-back 1% for $1m	Silver, Copper
Flat Rock Island	92 Energy	2% NSR, Buydown 1% for $1m	Uranium
Fort A la Corne	Eagle Plains	2% GPR, Buy-back 1% for $1m	Diamond
George Lake	Eagle Plains	2% NSR, Buy-back 1% for $1m	Lead, Zinc
Knife Lake	Rockridge Resources Ltd.	2% NSR, Buydown 1% for $1m	Copper, Silver, Zinc, Gold, Cobalt
Larocque Lake	ISO Energy Ltd.	2% NSR, Buydown 1% for $1m	Uranium
Lazy Edward Bay (include American North*	Okapi Resources Canada Ltd.	2% NSR, Buy-back 1% for $1m	Uranium
Manson Bay South	SKRR Exploration Inc.	2% NSR, Buydown 1% for $1m	Gold
North Hansen	Brunswick Exploration Inc.	2% NSR, Buydown 1% for $1m	Copper, lithium
Park Lake (part of American North agreement)	Okapi Resources Canada Ltd.	2% NSR, Buydown 1% for $1m	Uranium
Perpete Lake	Eagle Plains	2% NSR, Buydown 1% for $1m	Uranium
Pine Channel	Apogee Minerals Ltd./Tri Capital	2% NSR, Buydown 1% for $1m	Gold, Silver, Nickel, Copper, Uranium
Pine Channel South	Pegasus Resources Inc.	2% NSR, Buydown 1% for $1m	Uranium
PLS (Carter)	Cameco Corp.	2% NSR, Buydown 1% for $1m	Uranium
PLS (Carter - Denison via ALX)	Denison Mines Corp.	2% NSR, Buydown 1% for $850K	Uranium

Royalty Assets	Operator / Option Partner	NSR Terms	Commodity
Preview/North Lake	Mas Gold Corp.	2% NSR, Buydown 1% for $1m	Gold
Puzzle Lake	Canter Resources Corp.	2% NSR, Buydown 1% for $1m	Gold
Shasko Bay	Eagle Plains	2% NSR, Buydown 1% for $1m	Uranium
Schott's Lake	Eagle Plains	2% NSR, Buy-back 1% for $1m	Copper, Zinc
Shea	Orano Canada/UEX Corp.	2% NSR, Buydown 1% for $1m	Uranium
Virgin River	Denison Mines Corp./Tarku Resources	2% NSR, Buydown 1% for $1m	Gold

Yukon Royalties

McQuesten (AurMac)(1)	Alexco Resource Corp./Banyan Gold Corp.	0.5-2% NSR no buy-down	Gold, Silver
Rusty Springs	Eagle Plains	2% NSR, Buy-back 1% for $1m	Silver, Lead, Zinc

Notes:

(1) As of the date hereof, this is the flagship asset of the Corporation. The Corporation had previously engaged the services of KPMG LLP, an independent valuation firm to ascertain the fair market value of the royalty associated with the McQuesten (AurMac) Project. In its final valuation report, KPMG LLP assigned a fair market value in the range of $3.94 million to $4.72 million.

* The management of Eagle Plains expects these royalties to be transferred. However, as of the date of the Listing Statement, the required consents have not been received to effect such transfer.

The Flagship Spin-Off Asset - McQuesten (AurMac) Project

The information presented in this Listing Statement about the McQuesten (AurMac) Project has been extracted or derived from public disclosures prepared pursuant to National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). Pursuant to the exemption available under item 9.2 of NI 43-101, the Corporation is not required to file technical report(s) with respect to the McQuesten (AurMac) Project and may rely on technical reports or other disclosure prepared by Banyan Gold Corp. which is the operator or owner of the mineral project.

Banyan Gold Corp. is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Ontario and Banyan Gold Corp. previously filed a technical report titled "*Technical Report, AurMac Property, Mayo Mining District*" on SEDAR on June 29, 2022 (the

"**Third-Party Technical Information**"). A full copy of the Third-Party Technical Information is available under Banyan Gold Corp.'s profile on SEDAR at www.sedar.com.

The Third-Party Technical Information is subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of the Third-Party Technical Information. The Third-Party Technical Information is not and shall not be deemed to be incorporated by reference into this Listing Statement. The Third-Party Technical Information, and consequently the disclosure below is prepared as of a certain point in time and the Corporation is not in a position to determine whether any information with respect to the McQuesten (AurMac) Project that may be material subsequent to the date of the applicable Third-Party Technical Information exists. Therefore, in addition to the Third-Party Technical Information, readers should review public disclosures available on SEDAR made by Banyan Gold Corp., which is available under its issuer profile on SEDAR at www.sedar.com.

Terms and abbreviations used in the following summary that are not otherwise defined therein shall have the meaning(s) ascribed thereto in the applicable Third-Party Technical Information. Figures or charts referred to in the Third-Party Technical Information but not reproduced herein may be viewed in the Third-Party Technical Information. Table references are to tables in the Third-Party Technical Information, certain of which are reproduced in this Listing Statement. The Third-Party Technical Information should be read in the context of qualifying statements, procedures and accompanying discussion with the complete Third-Party Technical Information.

Charles C. Downie, P. Geo., a Qualified Person as defined by NI 43-101, has read and approved all technical and scientific information contained in this Listing Statement. Mr. Downie is a director and officer of Eagle Plains and will continue as a director and officer of the Corporation and is therefore not considered to be independent as defined by NI 43-101.

Property Description, Location and Ownership

The McQuesten (AurMac) Project is an advanced gold prospect located in the Mayo Mining District of central Yukon, approximately 40 km north of the community of Mayo, Yukon. The property consists of 907 claims totaling approximately 173 km^2 and contains three areas of known gold mineralization, the Airstrip, Powerline and the Aurex Hill Zones. Banyan Gold Corp. has the right to earn up to a 100% interest in the property subject to various royalty agreements in favour of previous operators and Victoria Gold Corporation (VGCX).

History, Exploration and Drilling

Mineral exploration work on and around the McQuesten (AurMac) Project has been active since the early 1900's, however most work prior to the 1980s was focused on Keno Hill style Pb-Zn-Ag mineralization. The potential for gold mineralization was first recognized in 1981 when anomalous tungsten-gold mineralization was documented in drill core at the Airstrip Zone while targeting a Keno Hill style Pb-Zn-Ag vein. Exploration for gold through the 1980s, 1990s and into the early 2000s consisted of a blend of extensive soil and rock geochemical surveys, airborne and ground based geophysical surveys, diamond drilling, reverse circulation drilling and bulldozer trenching (that resulted in the discovery of bedrock mineralization at the Airstrip Zone, Powerline Zone and Aurex Hill Zones). Since Banyan Gold Corp. optioned the property in 2017, the company has conducted geophysical surveys, soil geochemical sampling, excavator trenching, and diamond drilling in 2017, 2018, 2019, 2020 and 2021. This work has refined and enhanced the mineralization model at the Airstrip, Powerline and Aurex Hill Zones as well as outlined a new exploration model for the entirety of the McQuesten (AurMac) Project.

Geology and Mineralization

Gold mineralization has been discovered in several areas across the McQuesten (AurMac) Project. The Airstrip, Powerline and Aurex Hill Zones have received the most exploration and have the best-known examples of:

- **Gold mineralization associated with pyrrhotitic retrograde skarn-like assemblages:** Shear and contact metamorphic-induced calc-silicate altered sediments (calcareous siltstones) contain abundant pyrrhotite (locally in massive bands) along low angle shear planes and later veins and fractures. The pyrrhotite occurs as stretched grains and blebs orientated along the foliation bands within the calc-silicate altered rocks, in areas of intense shear strain. Pyrrhotite can form aggregates up to several millimeters in size where entire limestone beds have been skarnified. Pyrrhotite forms >99% of the sulphide mineralization associated with the calc-silicate alteration, with minor/trace amounts of chalcopyrite, pyrite and sphalerite. Scheelite is also common mineral in the pyrrhotitic rich horizons. This style of mineralization occurs in the Airstrip Zone, Powerline Zone and Aurex Hill Zone;

- **Gold mineralization associated with quartz-arsenopyrite veins:** Tend to occur in clusters of dilatant zones which suggest easterly to north-easterly strike; the dip of the veins is somewhat irregular but commonly shallow to the north. The veins range from 2 mm - 60 mm in thickness. The veins have been identified in the Airstrip Zone, Powerline Zone and Aurex Hill Zone and are seen crosscutting schistose quartzites, phyllites, graphitic schist, calc-silicate sediments, greenstones, and granitic intrusions; and

- **Gold mineralization associated with siderite-galena-sphalerite veins/breccias:** Are siderite healed brittle fault zones with coarsely crystalline galena and marmatite sphalerite. This style of mineralization has only been observed in the Airstrip Zone.

The Airstrip, Powerline and Aurex Hill Zones occur in the south-dipping limb of the McQuesten antiform, a broad, west-southwest-plunging arch of older planar features (including bedding); all of which are well faulted as the result of the Robert Service and Tombstone thrusts and associated Strain Zone. The rocks in the Airstrip, Powerline and Aurex Hill Zone consist of repeated cycles of non-calcareous foliated rocks (thinly bedded quartzites, graphitic schist, quartz-muscovite schists) separating assemblages of mixed calcareous foliated rock types (limestone, calcareous siltstones, retrograde skarn horizons (sulphide >5%), retrograde calcsilicate horizons). In the Airstrip Zone, these repeated cycles of non-calcareous and calcareous lithologies overlie a thick package of thinly-bedded graphitic quartzite; there are at least two felsic-aplitic dykes cutting through the Airstrip Zone. The Powerline Zone lies stratigraphically above the Airstrip Zone, and physically approximately one km to the south. In the Powerline Zone there are multiple gabbroic foliaform sills. The Aurex Hill Zone is within the same stratigraphic sequence as the Powerline Zone. Mineralized structures are interpreted as coeval with the emplacement of Tombstone intrusions.

Quality Assurance and Quality Control and Data Verification

A rigorous quality assurance/quality control program was initiated for the Banyan Gold Corp.-operated AurMac drill programs. A target goal of 5% quarter-core duplicate check assay sample and 5% standard reference material sample program in excess of within assay laboratory duplicates and standards was initiated to provide good control of the quality of gold assay data being reported for the project. Quality control procedures used by Banyan Gold Corp. to monitor 2017 through 2021 drilling assay results of the McQuesten (AurMac) Project consisted of inserting a control sample at a frequency of approximately every 10 samples. Control samples consisted of 1,803 quarter core duplicates, 1,204 standard reference materials and 661 blank samples. In addition, in-house laboratory QA/QC protocols analyzed a total of 656 coarse reject sample duplicates and a total of 1,347 pulp duplicates. The data is adequate for the calculation of an inferred mineral resource, in compliance with NI 43-101.

Mineral Processing and Metallurgical Testing

Some preliminary metallurgical testing has been done at the AurMac Project. In 1997, Viceroy conducted cyanide bottle roll tests on three samples of Reverse Circulation drill cuttings representing retrograde skarn mineralization. Gold recoveries were between 56.04% to 75.09% over 72 hours, with an increase of 3.1 – 9.0% over 24 hours.

A series of hot cyanide (CN) shake assays were completed on a suite of pulps collected on 2018 Banyan drill holes that intersected typical mineralization at the Airstrip Zone. These first pass recovery results returned an average recovery of 68%, indicating extraction of gold through traditional cyanide leach extraction methods is achievable within the calcareous package of the Airstrip Zone.

Additional analytical and metallurgical testing evaluation has been conducted in 2021 by Forte Analytical (Forte). A series of 56 pulverized cyanide leach bottle roll tests were conducted on a range of samples from the Airstrip, Aurex Hill and Powerstrip zones. The initial series of bottle roll leach tests focused on 17 interval ranges from Airstrip, Powerline and Aurex Hill. The gold grades ranged from 0.34 to 4.28 g/t gold, with an average grade of 1.28. Initial gold extractions from the bottle roll testing seemed complete within eight hours, at 87.3%. The average extraction finalized at 87% after 48 hours. Only one interval indicated less than 70% gold extraction. A second series of pulverized bottle roll leach tests evaluated 39 interval ranges from the Powerline zone. Back calculated gold grade heads ranged from 0.17 to 2.80 g/t gold, with an average grade of 0.93 g/t. Final gold extractions averaged 90% after 24 hours. No intervals indicated less than 70% gold extraction. Lab-based sodium cyanide and lime consumptions were considered to be within the expectations of traditional leach extraction methods.

Mineral Resource Estimate

This mineral resource estimate of the AurMac property represents an update of the mineral resources for the Airstrip and Powerline deposits from the May 2020 mineral resources, and an initial mineral resource for the Aurex Hill deposit. Gold grade estimates of each deposit were derived from first principles using the additional holes drilled by Banyan Gold Corp. since May 2020 and new geologic models developed by the Banyan Gold Corp. team. The gold grade estimates were carried out by Ginto Consulting Inc. using separate block models for each deposit, where capped 1.5 m composites with ordinary kriging were utilized for the interpolation process. Each block model consists of 5 m x 5 m x 5 m blocks sub-blocked to 1 m x 1 m x 1 m blocks. The gold grade estimates were classified as inferred based on the wider drill hole spacing and then visually and statistically validated. The mineral resources were finally constrained by an open pit shell optimized with a Lerchs-Grossman algorithm.

The pit-constrained inferred mineral resources for the Airstrip, Powerline and Aurex Hill deposits as well as for the combined deposits are presented in Table 1-1.

Table 1-1: Pit-Constrained Inferred Mineral Resources – AurMac Property: Airstrip + Powerline + Aurex Hill Deposits

Deposit	Au Cut-Off g/t	Tonnage M tonnes	Average Au Grade g/t	Au Content K oz	Strip Ratio
Airstrip	0.20	42.5	0.64	874	1:1.40
Powerline	0.20	152.0	0.59	2,898	1:0.34
Aurex Hill	0.30	12.5	0.53	215	1:1.50
Total Combined	0.20, 0.30	207.0	0.60	3,990	1:0.63

Source: Banyan Gold Corp. (2022)

Notes:

(1) The effective date for the Mineral Resource is May 13, 2022.

(2) Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, changes in global gold markets or other relevant issues.

(3) The CIM definitions were followed for the classification of inferred Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.

(4) Mineral Resources are reported at a cut-off grade of 0.3 g/t Au, using a US$/CAN$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: gold price of US$1,700/oz, US$2.50/t mining cost, US$5.50/t processing cost, US$2.00/t G+A, 80% heap leach recoveries, and 45° pit slope.

(5) The number of tonnes was rounded to the nearest hundred thousand. The number of ounces was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects.

Conclusions

The results of diamond drilling to date show that the Airstrip Zone, Powerline Zone and Aurex Hill Zone mineralization defined by the above resource model is open for expansion in all directions and to depth. With further drilling there exists the potential to expand on the resource at all three zones. The Airstrip, Powerline and Aurex Hill deposits represent distal retrograde skarn/replacement gold deposits with a structural mineralizing component. In aggregate, the known areas of mineralization in conjunction with less well explored areas of anomalous gold and pathfinder element response, are testament to a strong causative hydrothermal system giving rise to a large area of high exploration potential for a variety of intrusion related gold exploration target types.

Business Objectives

The Corporation's business objectives for the 12-month period after the date of this Listing Statement will be to focus on the development of the Spin-Off Assets, and to commence the process of identifying further investment opportunities to grow its portfolio of assets.

Milestones

The Corporation intends to identify investment opportunities in various phases of exploration projects, including:

1. Early Stage Projects: With early stage projects, the geological risk is high, as the operator may not ever make a discovery, possibly resulting in the investment being written off, but the cost of the investment is low. If an economic discovery is made that is then developed into a mine, the returns on that royalty against the cost of investment can be significant. A majority of the royalty interests identified in the table fit within this category. Eagle Plains is the operator on many of these projects, and through its project generator business model, many of the projects will continue to see exploration work, which will increase the chances of an economic discovery. There is no guarantee of a return, but if successful, the return can be many multiples of the investment.

2. Exploration Projects: Exploration projects have seen sustained geological exploration from grassroots fieldwork and geophysical surveys up to trenching and diamond drilling. As with early stage projects, they benefit from the Eagle Plains project generator model to drive new exploration funding. In addition, although the projects are considered to be at an exploration stage, some of the Saskatchewan uranium royalty interests are held with major and mid-tier producers (Cameco, Denison, Orano), which is expected to increase the likelihood of continued work on the projects with the claims being kept in good standing and the royalty interests maintained. The geologic risk has been reduced on these projects, both through the use of partner-funded exploration and identification of ongoing targets for follow up work.

3. Advanced Exploration: Advanced exploration projects typically have either a current resource (as defined by NI 43-101) or the Canadian Institute of Mining or have seen sufficient historical drilling to define a mineralized exploration target for further drilling. For projects with a current resource, ongoing work may involve drilling and geological modelling to increase the confidence of the economics of a project through the conversion of inferred resources to indicated resources and measured resources. The McQuesten (AurMac) Project in the table above is an example of an advanced exploration project.

The Corporation’s focus is high value projects in politically stable jurisdictions that have not been identified by larger royalty companies. The Corporation's vision is to reduce exposure to exploration risks by investing in undervalued or overlooked early stage to advanced exploration opportunities through the purchase of royalty interests. Accordingly, to finance the acquisition of such royalty interests (if any), the Corporation may undertake one or more subsequent financings.

Total Funds Available

As at the date of this Listing Statement, Eagle Royalties has approximately $72,000 of available funds. Upon completion of the Concurrent Financing and at a minimum, the Corporation expects to have approximately $3,000,000 (gross amount) in available funds on a combined basis.

Principal Purposes for Available Funds

The following table summarizes expenditures anticipated by the Corporation based on current plans required to achieve its business objectives during the forthcoming 12-month period.

General and administrative	$435,000
Public company costs	$44,000
Professional fees	$200,000

Corporate development	$300,000
Transaction costs	$400,000
Finder's Fee (re Concurrent Financing)	$192,815
Research and Acquisition of Royalties	$1,431,783
Total:	**$3,003,598**

The funds available for ongoing operations will be sufficient to meet the Corporation's administrative costs for the next 12 months.

The Corporation anticipates that it will use the available funds as set out above. However, there may be circumstances where for sound business reasons, a reallocation of funds may be necessary.

Principal Products or Services

This section is not applicable to the Corporation.

Production and Sales

This section is not applicable to the Corporation.

Competitive Conditions

Royalty companies, sometimes called streaming companies, serve a special role in the mining industry. Developing a mine property to start producing gold or other precious metal is an expensive, often time-consuming process. Infrastructure needs to be built out, permits applied for, laborers hired and more.

Royalty companies have a robust business model but there is no guarantee the Corporation will be able to acquire additional royalties to enhance its value. There are a number of established royalty companies competing for similar net smelter royalties on properties.

Lending and Investment Policies and Restrictions

This section is not applicable to the Corporation.

Bankruptcy and Receivership

The Corporation has not been the subject of any bankruptcy or any receivership or similar proceedings against the Corporation or any voluntary bankruptcy, receivership or similar proceedings by the Corporation.

Material Restructuring

Other than the transactions contemplated by the Arrangement and the Amalgamation, the Corporation will not have been subject to any material restructuring transactions at any point in its history, nor are any material structuring transactions contemplated for the current financial year.

Social and Environmental Policies

Although it has not implemented a formal environmental policy, the Corporation intends to comply with all environmental laws, rules and regulations applicable to its acquisition and development activities. Eagle Royalties does not have a formal social policy.

4.2 Asset-Backed Securities

This section is not applicable to the Corporation.

4.3 Issuers with Mineral Projects

This section is not applicable to the Corporation.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

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The following table sets forth selected financial information for 138 for the completed financial year ended December 31, 2022. 138 was incorporated in 2022 and only has a one-year history. This summary financial information should be read in conjunction with 138's financial statements and the notes thereto. All figures below are stated in Canadian dollars. The audited financial statements for December 31, 2022 are included in Appendix A to this Listing Statement.

	Year Ended December 31,2022 (audited)
Total Revenue	Nil
Net Loss	$(13,281)
Basic and Diluted Loss per Share	$ (0.00)
Total Assets	$94,073
Total Long-Term Liabilities	Nil
Cash dividends declared per share	Nil

Eagle Royalties

The following table summarizes financial information of Eagle Royalties for the completed financial year ended December 31, 2022. Eagle Royalties was created in 2022 and only has a one-year history. This summary financial information should only be read in conjunction with Eagle Royalties' financial statements and the notes thereto. All figures below are stated in Canadian dollars. The audited financial statements for December 31, 2022 are included in Appendix A to this Listing Statement.

	Year Ended December 31,2022 (audited)
Total Revenue	Nil
Net Loss	$ (208,741)

Basic and Diluted Loss per Share	$ (2,087.41)
Total Assets	$108,714
Total Long-Term Liabilities	Nil
Cash dividends declared per share	Nil

Corporation

The following table sets forth selected *pro forma* financial information for the financial year ended December 31, 2022.

	Year Ended December 31,2022 (audited)
Total Revenue	Nil
Net Loss	$ (292,593)
Basic and Diluted Loss per Share	$ (0.00)
Total Assets	$3,096,316
Total Long-Term Liabilities	Nil
Cash dividends declared per share	Nil

5.2 Quarterly Information

This section is not applicable to the Corporation.

5.3 Dividends

The Corporation will not have paid dividends or made distributions on the Corporation Shares at any point prior to the date of this Listing Statement. Any decision to pay dividends on the Corporation Shares in the future will be made by the board of directors of the Corporation on the basis of the earnings, financial requirements and other conditions existing at such time. The Corporation currently intends to retain all available funds for use in its business and does not foresee payment of dividends in the short or medium term.

5.4 Foreign GAAP

The Corporation's financial statements have not been prepared in accordance with U.S. GAAP.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

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A copy of 138's Management's Discussion and Analysis ("**MD&A**") for the fiscal year ended December 31, 2022 is included in Appendix A to this Listing Statement and should be read in conjunction with 138's financial statements and notes as included in Appendix A.

Eagle Royalties

A copy of Eagle Royalties' MD&A for the fiscal year ended December 31, 2022 is included in Appendix A to this Listing Statement and should be read in conjunction with Eagle Royalties' financial statements and notes also included in Appendix A.

7. MARKET FOR SECURITIES

As of the date of this Listing Statement, neither 138 nor Eagle Royalties is a reporting issuer, and neither the 138 Shares nor the Eagle Royalties Shares are listed on any recognized stock exchange in Canada, the United States or elsewhere.

If the Transaction is completed, the Corporation will become a reporting issuer in British Columbia, Alberta, Saskatchewan and Ontario and the Corporation Shares will be listed on the CSE under the symbol "ER". Such listing will be subject to meeting CSE initial listing requirements and there can be no assurance that such a listing will be obtained. Completion of the Transaction is conditional upon the CSE approving the listing of the Corporation Shares.

8. CONSOLIDATED CAPITALIZATION

Corporation

Subsequent to the year ended December 31, 2022, 138 is undertaking the Concurrent Financing to raise gross proceeds of $3,003,598.50 at a price of $0.30 per 138 Subscription Receipt prior to the Effective Date. The 138 Subscription Receipts will convert to 138 Units on a one for one basis upon satisfaction of the Escrow Release Conditions. At the Effective Date, the 138 Units will automatically convert or become exercisable into units of the Corporation in accordance with their terms and pursuant to the terms of the Amalgamation Agreement.

Securities	Amount Authorized	Outstanding as of the date of this Listing Statement
Shares	Unlimited	57,010,429
Warrants	-	5,005,997
Finder's Fee Warrants(1)	-	556,406

Notes:

(1) Pursuant to the Concurrent Financing and unless as otherwise agreed to between the applicable parties, the finder is entitled to receive: (i) Finder's Fee Warrants equal to 7% of the gross proceeds realized from the sale of 138 Units under the Concurrent Financing to purchasers not on the President's List, and (ii) an additional commission equal to 7% of the gross proceeds realized from the sale of 138 Units under the Concurrent Financing to purchasers not on the President's List, either in cash or 138 Units, at the finder's election.

9. OPTIONS TO PURCHASE SECURITIES

As of the date of this Listing Statement, there are no options or other rights to purchase Corporation Shares, other than those provided for pursuant to the Arrangement Agreement. It is anticipated that after the listing of the Corporation, the Corporation's board of directors may adopt an equity incentive plan, subject to the approval of the CSE. If an equity incentive plan is adopted in the future, the purpose of such an incentive plan will be to allow the Corporation to grant options (or other similar equity-based compensation securities) to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Corporation. The granting of such options (or other similar equity-based compensation securities) is intended to align the interests of such persons with that of the Corporation's shareholders.

Options to Purchase Securities Pursuant to Arrangement Agreement

Subject to completion of the Transaction, each vested Eagle Plains Option, provided it has not expired, shall be exercisable into:

(a) one Eagle Plains Share; and

(b) one-third (1/3) of a Corporation Share.

As of the date of this Listing Statement, there are 10,962,000 Eagle Plains Options issued and outstanding as follows:

Category of Optionees	Exercise Price	Expiry Dates	Market Value on Date of Grant	Number of Options
Executive Officers & Directors	$0.15 - $0.24	July 4, 2024 - Jan 6, 2028	$0.09 - 0.22	5,800,000
Employees	$0.20 - $0.24	May 29, 2025 - Jan 6, 2028	$0.17 - 0.22	1,475,000
Consultants	$0.15 - $0.24	July 4, 2024 - Jan 6, 2028	$0.09 - 0.22	3,687,000
			TOTAL:	**10,962,000**

As such, the Corporation will reserve for issuance 3,654,000 Corporation Shares pursuant to the exercise of Eagle Plains Options allocated as follows:

Executive Officers and Directors	1,933,333
Employees	491,667
Consultants	1,229,000
TOTAL:	**3,654,000**

10. DESCRIPTION OF THE SECURITIES

10.1 General

Following completion of the Arrangement, the authorized share capital of the Corporation consists of an unlimited number of Corporation Shares and an unlimited number of preferred shares.

Each Corporation Share entitles the holder thereof to receive notice of and to attend all meetings of shareholders of the Corporation and at all such meetings to one vote in respect of each Corporation Share held by such holder.

The holders of Corporation Shares shall be entitled to participate rateably in any dividends declared by the board of directors of the Corporation on the Corporation Shares, and, subject to the rights of preferred shares, are entitled, on the liquidation, dissolution, winding-up or other distribution of assets of the Corporation for the purposes of winding-up its affairs, to a *pro rata* share of the assets of the Corporation after payment of all its liabilities and obligations.

10.2 Debt Securities

The Corporation has no debt securities outstanding as of the date of this Listing Statement and the Corporation does not intend to list any debt securities.

10.3 Other Securities

This section is not applicable to the Corporation.

10.4 Other Securities

This section is not applicable to the Corporation. Except for the Corporation Shares, the Corporation is not proposing to list any securities on the CSE.

10.5 Modification of Terms

The rights of holders of Corporation Shares may not be modified other than in accordance with the ABCA and the articles of the Corporation.

10.6 Other Attributes

As of the date of this Listing Statement, the rights attaching to the Corporation Shares are not materially limited or qualified by the rights of any other class of securities and no other class of securities ranks ahead of or equally with the Corporation Shares.

10.7 Prior Sales

Except for 100 shares issued by Eagle Royalties at the time of incorporation, Eagle Royalties has not issued any Eagle Royalties Shares.

Except for 5,000,000 shares issued in connection with an initial seed financing at a price of $0.02 per share, 138 has not issued any 138 Shares. Prior to the Effective Date, 138 intends to issue additional securities as part of the Concurrent Financing and Eagle Royalties intends to issue Eagle Royalties Shares as part of the Arrangement as set out below:

Description	Number of Securities	Price per Security	Total Issue Price
Arrangement	41,998,334(1)	$0.02 and $0.30(1)	$11,150,101.20
138 Units	10,011,995(2)	$0.30	$3,003,598.50

Notes:

(1) 5,176,425 Eagle Royalties Shares to be issued to Eagle Plains at $0.02 per share and remaining 36,821,909 Eagle Royalties Shares to be issued to Eagle Plains Shareholders at a deemed price of $0.30 per share.

(2) See Section 3.1 - *General Development of the Business - Concurrent Financing* for characteristics of 138 Units. Pursuant to the Concurrent Financing and unless as otherwise agreed to between the applicable parties, the finder is entitled to receive: (i) Finder's Fee Warrants equal to 7% of the gross proceeds realized from the sale of 138 Units under the Concurrent Financing to purchasers not on the President's List, and (ii)

an additional commission equal to 7% of the gross proceeds realized from the sale of 138 Units under the Concurrent Financing to purchasers not on the President's List, either in cash or 138 Units, at the finder's election.

10.8 Stock Exchange Price

The Corporation Shares are to become listed and posted for trading on the CSE under the symbol "ER" upon completion of the Transaction. The Corporation Shares are not and have never been listed on any other Canadian or foreign stock exchange.

11. ESCROWED SECURITIES

As required under the policies of the CSE, all securities issued to "Related Persons" (as defined under the applicable CSE policy) are generally required to be subject to an escrow agreement pursuant to National Policy 46-*201 - Escrow for Initial Public Offerings*. As such all related persons of the Corporation must enter into an escrow agreement that provides for the escrow of Corporation Shares (the "**Escrow Shares**") held by such persons after the completion of the Transaction. The Escrow Shares will be subject to an escrow for a period of 36 months following the Listing Date ("**Statutory Escrow**"). The Escrow Shares held by each Related Person will be released in accordance with the release schedule set forth below:

Release Schedule of the Escrow Shares	Number of Escrow Shares
On the listing and trading of the Corporation Shares on the CSE	10% of the total Escrow Shares shall be released from escrow
6 months following listing and trading of the Corporation Shares on the CSE	15% of the total Escrow Shares shall be released from escrow
12 months following listing and trading of the Corporation Shares on the CSE	15% of the total Escrow Shares shall be released from escrow
18 months following listing and trading of the Corporation Shares on the CSE	15% of the total Escrow Shares shall be released from escrow
24 months following listing and trading of the Corporation Shares on the CSE	15% of the total Escrow Shares shall be released from escrow
30 months following listing and trading of the Corporation Shares on the CSE	15% of the total Escrow Shares shall be released from escrow
36 months following listing and trading of the Corporation Shares on the CSE	15% of the total Escrow Shares shall be released from escrow

In addition to the Escrow Shares, Eagle Plains Securityholders and certain 138 Shareholders are also subject to certain contractual escrow terms. All Corporation Shares held by Eagle Plains Securityholders and certain 138 Shareholders (each a "**Contractually Escrowed Securityholder**") shall be held in escrow and releasable to each such Contractually Escrowed Securityholder in increments of 20% on each of the following dates: (a) the Listing Date; (b) 90 days from the Listing Date; (c) 180 days from the Listing Date; (d) 270 days from the Listing Date; and (e) 360 days from the Listing Date.

The table below includes the details of the Corporation Shares expected to be subject to escrow upon completion of the listing of the Corporation Shares on the CSE:

Category	Number of Shares	Percentage of Class
Corporation Shares subject to Statutory Escrow[(1)]	3,618,418	6.35%
Corporation Shares held by Contractually Escrowed Shareholders[(2)]	43,380,016	76.09%
TOTAL:	**46,998,434**	**82.43%**

Notes:

(1) All of the Corporation Shares held by directors and officers holding >1% of the outstanding shares (including options and warrants) of the Corporation. See Section 13.1 - *Particulars of Directors and Officers*.

(2) Includes 36,821,909 Eagle Royalties Shares to be issued to Eagle Plains Shareholders at $0.30 per share less the aggregate number of Corporation Shares subject to Statutory Escrow, plus (i) 5,000,000 138 Shares issued in connection with an initial seed financing at a price of $0.02 per share and (ii) the 5,176,525 Eagle Royalties Shares held by Eagle Plains prior to the Amalgamation.

12. PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Corporation, no person beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to the Corporation Shares.

13. DIRECTORS AND OFFICERS

13.1 Particulars of Directors and Officers

The following table sets forth the name and municipality of residence of each director and officer of the Corporation, as well as such individual's position and office held with the Corporation and their principal occupation within the past five (5) years.

Name, Municipality and Position	Principal Occupation within last five years	Corporation Shares Beneficially Owned or Controlled
Charles C. Downie Cranbrook, BC *Vice-President and Director*	Mr. Downie is a professional geoscientist (P. Geo.) and has acted as Exploration Manager for Eagle Plains since January 2000	464,250 (0.81%)
Glen J. Diduck[(1)] Cochrane, AB *Chief Financial Officer*	Mr. Diduck is a retired Chartered Professional Accountant with 40 years of experience in public accounting and is currently the CFO and a director of Eagle Plains. He previously held an executive position with Taiga Gold Corp. until its acquisition by SSR Mining Inc. in 2022	866,666 (1.52%)
Timothy J. Termuende Cranbrook, BC *President, Chief Executive Officer and Director*	Mr. Termuende has been a self-employed consulting geologist and President of Toklat Resources Inc., a private resource management company, since March 1990. He has served as President and Chief Executive Officer of Eagle Plains since May 1999.	2,287,502 (4.01%)

Jesse T. Campbell[1] Cranbrook, BC *Director*	Mr. Campbell has been involved in the mining industry since 1997. He has served as President of TerraLogic Exploration Inc., a resource consulting firm and wholly-owned subsidiary of Eagle Plains, since 2009	225,000 (0.39%)
Paul Reynolds[1] Vancouver, BC *Director*	Mr. Reynolds is a professional geoscientist specializing in the conception and management of mineral exploration ventures. He has 24 years' experience managing public companies as both a director and/or executive officer and is currently a director of Azincourt Energy Inc. (TSXV), Eagle Plains (TSXV), Highway 50 Gold Corp. (TSXV) and West Oak Gold Corp. (CSE).	83,333 (0.15%)
Norm E. Jordan Cranbrook, BC *Secretary & Controller*	Mr. Jordan has served as Controller of Eagle Plains since November 2004.	58,333 (0.10%)

Notes:

(1) Member of the Audit Committee.

13.2 Director Period of Service and Term

Charles C. Downie	Period of Service: Upon Listing Term: Until next AGM
Timothy J. Termuende	Period of Service: Upon Listing Term: Until next AGM
Jesse T. Campbell	Period of Service: Upon Listing Term: Until next AGM
Paul Reynolds	Period of Service: Upon Listing Term: Until next AGM

13.3 Securities Beneficially Owned or Controlled by Directors and Officers

The following table below sets forth the number and percentage of voting securities of the Corporation that will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by all proposed directors and executive officers of the Corporation as a group, before giving effect to the Concurrent Financing and the exercise of Eagle Plains Options and Eagle Plains Warrants.

Securities	Owned or Controlled by Directors and Officers as of the date of this Listing Statement
Corporation Shares	3,817,787 (8.12%)

13.4 Board Committees

Following its listing on the CSE (subject to CSE approval), the Corporation expects to appoint an audit committee and a corporate governance and compensation committee, the composition of which are set out below.

Audit Committee	Paul Reynolds (Chair) Glen J. Diduck Jesse T. Campbell
Compensation and Corporation Governance Committee	Timothy J. Termuende (Chair) Charles C. Downie

13.5 Management and Directors

The principal occupation of each proposed director and officer of the Corporation involves acting as an officer of a person or company other than the Corporation, as set forth below:

Name	Other Reporting Issuers	Exchange	Position	Dates
Charles C. Downie	Eagle Plains	TSXV	Vice-President Exploration & Director	Dec 2001 - Present
	Taiga Gold Corp.	CSE	Director	Sept 2017 – April 2022
Glen J. Diduck	Eagle Plains	TSXV	CFO, Director	May 1999 - Present
	Taiga Gold Corp.	CSE	CFO, Director	Sept 2017 - April 2022
Timothy J. Termuende	Aben Resources Ltd.	TSXV	Director	March 2011 - Present
	Eagle Plains	TSXV	President, CEO, Director	Jan 1995 - Present
	Silver Range Resources	TSXV	Director	Jan 2020 - Present
	Taiga Gold Corp.	CSE	President, CEO, Director	Sept 2017 – April 2022
	1844 Resources Inc. (formerly Gespeg Resources Ltd.)	TSXV	Director	Jan 2012 – Jan 2020
Paul Reynolds	Azincourt Energy Corp.	TSXV	Director	Feb 2012 - Present
	Eagle Plains	TSXV	Director	July 2019 - Present
	Taiga Gold Corp.	CSE	Director	August 2019 – April 2022
	Highway 50 Gold Corp	TSXV	Director	Dec 2020 - Present

	West Oak Gold Corp.	CSE	Director	July 2021 - Present
Jesse T. Campbell	Taiga Gold Corp.	CSE	Director	April 2018 – April 2022
Norm E. Jordan	Eagle Plains	TSXV	Controller, Company Sec	Nov 2004 - Present
	Taiga Gold Corp.	CSE	Controller, Company Sec	Sept 2017 – April 2022

13.6 Cease Trade Orders or Bankruptcies

None of the proposed directors or executive officers of the Corporation are, as of the date of this Listing Statement, or were within 10 years before the date of this Listing Statement, a director, chief executive officer or chief financial officer of any company, that:

A. was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer;

B. was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

C. while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

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

For the purposes of the above, "order" means:

(i) a cease trade order;

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

(iii) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

13.7 Penalties or Sanctions

No director, officer or other member of management of the Corporation, or a securityholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision about the Corporation.

13.8 Additional Disclosures

This section is not applicable to the Corporation.

13.9 Personal Bankruptcies

No director or officer of the Corporation, or a securityholder holding sufficient securities of the Corporation to affect materially the control of the Corporation is, or has, within the 10 years prior to the date hereof, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

13.10 Conflicts of Interest

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other public companies (including Eagle Plains), and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies. If a conflict of interest arises at a meeting of the board of directors of the Corporation, any director in a conflict will disclose their interest and abstain from voting on such matter.

13.11 Management

TIMOTHY J. TERMUENDE, P. Geo., President, Chief Executive Officer and Director
Cranbrook, British Columbia

Mr. Termuende obtained his Bachelor of Science degree in Geology in 1987 and his Professional Geologist designation in British Columbia in 1992. Mr. Termuende has been a self-employed consulting geologist and President of Toklat Resources Inc., a privately owned resource management company, from March 1990 to the present. He has served as President and Chief Executive Officer of Eagle Plains since May 1999.

GLEN J. DIDUCK, Chief Financial Officer
Cochrane, Alberta

Mr. Diduck is a retired Chartered Professional Accountant. He has over 40 years of experience in public accounting focusing on accounting, audit and taxation of small to medium-sized businesses. Since 1999, Glen has overseen disclosure and corporate governance in the publicly-traded junior mining exploration industry. He is currently the CFO and a director of Eagle Plains. He previously held executive positions with Copper Canyon Resources Ltd. until it was acquired by NovaGold Resources Ltd. in 2011, Taiga Gold Corp. until its acquisition by SSR Mining Inc. in 2022, and Omineca Mining and Metals Ltd. and Triumph Gold Corp.

NORM E. JORDAN, Corporate Secretary and Controller
Cranbrook, British Columbia

Mr. Jordan obtained his Bachelor of Science in Business Administration degree in 1978 from Michigan Technological University. He has served as Controller of Eagle Plains since November 2004. Prior to joining Eagle Plains, he was employed as a manager at BDO Dunwoody, a public accounting firm, where he worked for 20 years.

CHARLES C. DOWNIE, P. Geo., Vice President and Director

Cranbrook, British Columbia

Mr. Downie obtained his Bachelor of Science degree from the University of Alberta in 1988 and his Professional Geoscientist designation in British Columbia in 1993. He served as a Geological Consultant for Big City Resources Ltd., a privately owned resources company, from May 1994 to 1999. Mr. Downie has acted as Exploration Manager for Eagle Plains since January 2000.

JESSE T. CAMPBELL, Director
Cranbrook, British Columbia

Mr. Campbell obtained his Bachelor of Science degree in Geography from the University of Calgary in 2005. Mr. Campbell has been employed by Eagle Plains in a variety of roles since 1998 and has been involved in the mining industry since 1997. He has served as President of TerraLogic Exploration Inc., a resource consulting firm and wholly-owned subsidiary of Eagle Plains, since 2009.

PAUL REYNOLDS, P. Geo., Director
Vancouver, British Columbia

Mr. Reynolds is a professional geoscientist with over 35 years' experience working on exploration and mining projects in Canada, USA, Bolivia, Argentina and Guyana. He specializes in the conception and management of mineral exploration ventures. He has 24 years' experience managing public companies as both a director and/or executive officer. Paul was formerly Chairman of Athlone Energy Ltd., which was sold to Daylight Energy Ltd. in September 2008. He is currently a director of Azincourt Energy Inc. (TSXV), Eagle Plains (TSXV), Highway 50 Gold Corp. (TSXV) and West Oak Gold Corp. (CSE). Mr. Reynolds holds a Bachelor of Science degree in Geology from the University of British Columbia (1987) and is a member of Engineers and Geoscientists British Columbia since 1992.

14. CAPITALIZATION

14.1 Issued Capital

Assuming the additional commission in connection with the Concurrent Financing equal to 7% of the gross proceeds realized from the sale of 138 Units under the Concurrent Financing to purchasers not on the President's List is paid in cash, the following table sets out the total tradeable float that is expected on the Listing Date:

	Number of Securities (Shares)		**% of Issued Capital**	
	(non-diluted)	**(fully-diluted)**	**(non-diluted**	**(fully-diluted)**

Public Float				
Total outstanding (A):	57,010,429	67,997,341[(1)]	100%	83.84%
Held by Related Persons or employees of the Corporation or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Corporation (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in Corporation upon exercise or conversion of other securities held) (B):				
Timothy J. Termuende (Related)	2,287,502	2,506,946	4.01%	3.69%
Charles C. Downie (Related)	464,250	597,583	0.81%	0.88%
Paul Reynolds (Related)	83,333	533,332	0.15%	0.78%
Jesse T. Campbell (Related)	225,000	585,666	0.39%	0.86%
Glen J. Diduck (Related)	866,666	1,021,111	1.52%	1.50%
Norm E. Jordan (Employee)	58,333	359,165	0.10%	0.53%
	3,985,084	5,603,803	6.99%	8.24%
Eagle Plains	5,176,525	5,176,525	9.08%	7.61%
	9,161,609	10,780,328	16.07%	15.85%
Total Public Float (A) - (B):	47,836,825	57,342,615	83.91%	84.33%
Freely-Tradeable Float				
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):				
Timothy J. Termuende (Related)	2,058,752	2,256,252	3.61%	3.32%
Glen J. Diduck (Related)	780,000	919,000	1.37%	1.35%
Charles C. Downie (Related)	417,825	537,825	0.73%	0.79%
Eagle Plains	4,141,220	4,141,220	7.26%	6.09%
Eagle Plains Shareholders	26,997,897	30,440,171	47.36%	44.77%
138 seed shares	4,000,000	4,000,000	7.02%	5.88%
	38,395,694	42,294,468	67.35%	62.20%
Total Tradeable Float (A) - (C):	**18,602,740**	**25,828,475**	**32.63%**	**37.98%**

Notes:

(1) Includes (i) 1,770,509 Corporation Shares to be issued pursuant to Eagle Plains Warrants; (ii) 3,654,000 Corporation Shares to be pursuant to Eagle Plains Options; (iii) 5,005,997 Corporation Shares to be issued pursuant to 138 Warrants; and (iv) 556,406 Corporation Shares to be issued pursuant to Finder's Fee Warrants.

Public Securityholders (Registered)

For the purposes of the following table, "public securityholders" are persons other than persons enumerated in section (B) of the above Issued Capital table, and only registered holders are listed.

Class of Security: Common Shares

Size of Holding	Number of Holders	Total Number of Securities
1-99	0	0
100 - 499	0	0
500 - 999	2	1,030
1,000 - 1,999	13	16,800
2,000 - 2,999	1	2,000
3,000 - 3,999	7	21,720
4,000 - 4,999	2	8,000
5,000 or more	30	2,572,125
Total:	55	2,621,675

Public Securityholders (Beneficial)

For the purposes of the following table, "public securityholders (beneficial)" include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders (NOBOs) holding securities through an intermediary; but does not include OBOs or "non-public securityholders" being those persons enumerated in section (B) of the above Issued Capital table.

Class of Security: Common Shares

Size of Holding	Number of Holders	Total Number of Securities
1 - 99 securities	10	286
100 - 499 securities	37	9,370
500 - 999 securities	43	24,860
1,000 - 1,999 securities	120	141,421
2,000 - 2,999 securities	92	197,518
3,000 - 3,999 securities	69	217,106
4,000 - 4,999 securities	34	139,940
5,000 or more securities	685	51,829,022
Total	1,090	52,559,523

Non-Public Securityholders (Registered)

For the purposes of this table, "non-public securityholders" are persons enumerated in section (B) of the above Issued Capital table.

<u>Class of Security: Common Shares</u>

Size of Holding	Number of Holders	Total Number of Securities
1 - 99 securities	0	0
100 - 499 securities	0	0
500 - 999 securities	0	0
1,000 - 1,999 securities	0	0
2,000 - 2,999 securities	0	0
3,000 - 3,999 securities	0	0
4,000 - 4,999 securities	0	0
5,000 or more securities	7	9,019,212
Total	**7**	**9,019,212**

14.2 Convertible/Exchangeable Securities

As at the date of the Listing Statement, there are Corporation Shares issuable pursuant to the exercise of convertible securities as follows:

Description of Security	Number of Convertible/Exchangeable Securities Outstanding	Number of Corporation Shares Issuable Upon Conversion/Exercise
Eagle Plains Options (1)	3,654,000	3,654,000
Eagle Plains Warrants (2)	1,770,509	1,770,509
138 Units issuable upon conversion of 138 Subscription Receipts (3)	10,011,995	15,017,992

Notes:

(1) See Section 9 - *Options and Warrants to Purchase Securities* for details of the Eagle Plains Options.

(2) Warrants exercisable at $0.25 - $0.30 with expiry dates of September 25, 2023 and July 11, 2024. The Eagle Plains Warrants are subject to an accelerated expiry at Eagle Plains' option if the published closing trade price of Eagle Plains Shares on the TSXV is $0.50 or more for any 20 consecutive trading days, upon 30 days' notice to the holder. The Eagle Plains Warrants may be exercised by the holder during such 30-day notice period.

(3) Each 138 Unit is exercisable into one common share and one-half of one common share purchase warrant. See Section 3.1 - *General Description of the Business - Concurrent Financing*.

14.3 Other Listed Securities

There are Shares issuable pursuant to the exercise of convertible securities as follows:

Description of Security	Number of Convertible/Exchangeable Securities	Number of Listed Securities Issuable Upon Conversion/Exercise
Finder's Fee Warrants (1)	556,406	556,406
138 Units issuable as commission to Finders (2)	0 - 770,000	0 - 1,155,000

Notes:

(1) Each Finder's Fee Warrant will be exercisable into one share at a price of $0.30 per share for a period of 24 months following the closing date of the Transaction.

(2) Unless as otherwise agreed to between the applicable parties, there is a 7% commission of the gross proceeds realized from the sale of 138 Units under the Concurrent Financing to purchasers not on the President's List, payable in connection with the Concurrent Financing, payable in cash or 138 Units at the finder's election. If the commission is paid exclusively in 138 Units and the Concurrent Financing is fully subscribed, an additional 770,000 138 Units will be issued. If the commission is paid in cash, no additional 138 Units will be issued. See Section 3.1 - *General Description of the Business - Concurrent Financing*.

15. EXECUTIVE COMPENSATION

15.1 Form 51-102F6

Compensation of Executive Officers and Summary Compensation Table

For the purposes of this section, "Named Executive Officers" means the Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**") of the Corporation and each of the Corporation's three most highly compensated executive officers, other than the CEO and CFO, whose aggregate compensation exceeded $150,000, any of whom served in such capacity during the most recently completed financial year.

Compensation Discussion and Analysis

The Corporation's approach to executive compensation is to provide suitable compensation for executives that is internally equitable, externally competitive and reflects individual achievement. The Corporation attempts to maintain compensation arrangements that will attract and retain highly qualified individuals who are able and capable of carrying out the objectives of the Corporation. The Corporation's compensation arrangements for the Named Executive Officers may, in addition to salary, include compensation in the form of bonuses and, over a longer term, benefits arising from the grant of stock options.

Compensation Committee

The board of directors of the Corporation will establish a Corporate Governance and Compensation Committee (the "**CGCC**") comprised of directors, which establishes and reviews the Corporation's overall compensation philosophy and its general compensation policies with respect to executive officers, including the corporate goals and objectives and the annual performance objectives relevant to such officers. The CGCC will evaluate each officer's performance in light these goals and objectives and, based on its evaluation, determine and approve the salary, bonus, options and other benefits for such officers. In determining compensation matters, the CGCC and the board of directors may consider a number of factors, including the Corporation's performance, the value of similar incentive awards to officers performing similar functions at comparable companies, the awards given in past years and other factors it considers relevant. The overall objective of the Corporation's compensation strategy will be to reward management for their efforts, while seeking to conserve cash given current market conditions. With respect to any bonuses or incentive plan grants which may be awarded to executive officers in the future, the Corporation has not currently set any objective criteria and will instead rely upon any recommendations and discussion at the CGCC level with respect to the above-noted considerations and any other matters which the CGCC and board may consider relevant on a going-forward basis, including the cash position of the Corporation.

Components of Executive Compensation:

The components of the executive compensation program are described in the table below.

Compensation Element	Form of Compensation	What it is designed to reward
Base Salary	Cash	Rewards skills, capabilities, knowledge and experience, reflecting the level of responsibility and contribution expected from each executive.
Short-Term Incentive	Cash	Rewards contribution to department's performance and the Corporation's overall performance. Rewards for results within the current fiscal year.
Long-Term Incentive	Stock Options	Rewards contribution to the long-term performance of the Corporation and demonstrated potential for future contribution. Aligns with long-term corporate performance and provides added incentive for executives to enhance shareholder value.

The CGCC considers a broad range of factors when setting compensation for executive management, including but not limited to, market data, individual performance, corporate performance and sector performance.

Base Salary

The base salary provides an executive with basic compensation and reflects individual responsibility, knowledge and experience, market competitiveness and the contribution expected from each executive. At its discretion, the CGCC may compare each executive officer's salary with the base salaries for similar positions in the comparator group, and recommend appropriate adjustments, as needed.

Short-Term Incentive

Short-term incentive compensation is based on annual results. The short-term incentive ensures that a significant portion of an executive's compensation varies with actual results in a given year, while providing financial incentives to executives to achieve short-term financial and strategic objectives. It communicates to executives the key accomplishments the CGCC wishes to reward and ensures that overall executive compensation correlates with corporate objectives. The short-term incentive component is structured to reward not only increased value for shareholders but also performance with respect to key operational factors and non-financial goals important to long-term success.

Long-Term Incentive

The long-term incentive component of executive compensation is designed to ensure commonality of interests between management and shareholders. This is accomplished by connecting shareholder return and long-term compensation, motivating executives to achieve long-range objectives that directly benefit shareholders.

Stock options reward executives for growth in the value of the Corporation's stock over the long-term. This is the high risk, high-return component of the executive total compensation program because stock options deliver value to an executive only if the share price is above the grant price. This long-term equity incentive includes both a corporate and personal component.

The following table sets forth the annual and long-term compensation for services in all capacities to Eagle Royalties for the year ended December 31, 2022 in respect of individuals who are acting in a capacity similar to the CEO, CEO and the three most highly compensated executive officers.

					Non-Equity Incentive Plan Compensation ($)				
Name and Principal Position	**Year**	**Salary ($)**	**Share-Based Awards ($)**	**Option-Based Awards ($)**	**Annual Incentive Plans**	**Long-Term Incentive Plans**	**Pension Value ($)**	**All Other Compensation ($)**	**Total Compensation ($)**
Timothy J. Termuende CEO and President	2022	Nil	Nil	Nil	Nil	Nil	Nil	79,383[1]	79,383
Glen J. Diduck CFO	2022	Nil	Nil	Nil	Nil	Nil	Nil	37,000[2]	37,000

Notes:

(1) Consultant fees paid to Toklat Resources Ltd., a company owned by Mr. Termuende.
(2) Professional fees paid to Glen J. Diduck, an officer of Eagle Royalties.

Pension Plan Benefits

The Corporation does not anticipate that it will adopt a defined benefit, defined contribution or deferred compensation plan.

Compensation of Directors

Directors are compensated for their services as directors through an annual retainer. Upon completion of the Transaction, it is anticipated that the Corporation will pay no additional cash compensation to directors for services rendered in their capacity as directors.

The CGCC intends to review director compensation every year and recommend updates to the board of directors for approval when considered appropriate or necessary to recognize the workload, time commitment and responsibility of board and committee members and to remain competitive with director compensation trends of the Corporation's peer group. To do so, the CGCC will use industry comparative data and expects that it may, from time to time, retain independent external consultants to assist in reviewing director compensation.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

16.1 Aggregate Indebtedness

None of the proposed directors or executive officers of the Corporation, or associates or affiliates of such person, are or will have been indebted to the Corporation at any time prior to the date of this Listing Statement.

16.2 Indebtedness under Securities Purchase and Other Programs

None of the proposed directors or executive officers of the Corporation are or will have been indebted to the Corporation at any time prior to the date of this Listing under any securities purchase or other programs.

17. RISK FACTORS

17.1 Risk Factors

Risk Factors Relating to the Corporation

The following risk factors should be carefully considered in evaluating risks related to the Corporation's proposed business and following its listing on the CSE. The risks presented below may not be all of the risks that the Corporation may or will face. It is believed that these factors could cause actual results to be different from expected.

<u>No Operating Revenues</u>

The Corporation will have no operating revenues.

<u>The Corporation may not use the available cash as described in this Listing Statement</u>

The Corporation currently intends to use the available cash as described in this Listing Statement. However, the board of directors and/or management will have discretion in the actual use of the available cash and may elect to allocate it differently than as described in this Listing Statement if they believe it would be in Corporation's best interests to do so. Securityholders may not agree with the manner in which the board of directors and/or management chooses to allocate and spend any available cash. The failure by the board of directors and/or management to use the available cash effectively could have a material adverse effect on the Corporation's profitability, results of operations and financial condition and the trading price of its securities.

<u>Financing Risks</u>

If the Transaction is completed, additional funding may be required to conduct future business development initiatives within the Corporation. If the Corporation's business and operational programs are successful, additional funds may be required. The only source of future funds presently available to the Corporation is through the sale of equity capital. There is no assurance that any such funds will be available in the future. The ability of the Corporation to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Corporation. Failure to obtain additional financing on a timely basis could cause materially affect the Corporation's future business, operations and prospects.

<u>Dependence on Management</u>

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

Conflicts of Interest

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

No History of Earnings and No Assurance of Profitable Operations

The Corporation has no history of earnings or of a return on investment, and there is no assurance that the Spin-off Assets or any other asset or business that the Corporation may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. The Corporation has no plans to pay dividends for some time in the future, if ever.

Price Volatility of Publicly Traded Securities

Following the completion of the Transaction, the Corporation plans to apply to list the Corporation Shares on the CSE. In recent years, the securities markets in the United States and Canada have experienced high levels 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. Any quoted market may be subject to market trends generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings.

Dilution

Issuances of additional securities including, but not limited to, Corporation Shares or some form of convertible securities, will result in a substantial dilution of the equity interests of any persons who may become Corporation shareholders as a result of or subsequent to the Transaction.

Market for Securities

There can be no assurance that an active trading market will develop for Corporation Shares following the completion of the Transaction, or if developed, that such a market will be sustained at the trading price on the CSE immediately after the Listing Date. There can be no assurance that any securities regulatory authority will recognize the Corporation as a reporting issuer, or that it will be able to obtain a listing on the CSE or any other stock exchange.

No Independent Operating History

The Corporation will have no operating history independent from Eagle Plains.

Early-Stage Company

Market perception of early-stage companies may change, potentially affecting the value of investors' holdings and the ability of the Corporation to raise further funds through the issue of further Corporation Shares or otherwise. The share price of publicly traded early-stage companies can be highly volatile. The value of the Corporation Shares may rise or fall and, in particular, the share price may be subject to sudden and large falls in value given the likely restricted marketability of the Corporation Shares.

Risk Factors Relating to the Business of the Corporation

The properties underlying the Spin-Off Assets and other interests will be subject to exploration, development and mining risks

The Corporation will seek to acquire royalty and other interests in mineral properties from companies that have exploration or development projects or operating mines. Royalties are non-operating interests in mining projects that provide the right to revenue or production from the project after deducting specified costs, if any. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. The long-term profitability of the Corporation's operations will be in part directly related to the cost and ultimate success of the operating mines in which the Corporation has a royalty or other interest, which may be affected by a number of factors beyond the Corporation's control.

Operating a producing mine involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Corporation has a direct or indirect interest are and will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected geological formations and other conditions such as formation pressures, fire, power outages, flooding, explorations, cave-ins, landslides and other natural or human- caused disasters and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. Operating companies which operate on properties on which the Corporation has an interest, or in which the Corporation may acquire an interest, may become subject to liability for pollution, cave-ins or hazards against which they cannot insure or against which they may elect not to insure. The payment of such liabilities may have a material, adverse effect on the financial position of such operating companies, and in turn, may have a material adverse effect on the financial position of Empress.

In addition, labour disruptions are a hazard to mineral exploration, development and operation. There is always a risk that strikes or other types of conflict with unions or employees may occur at any one of the properties on which the Corporation may hold a royalty or other interest. Although it is uncertain whether labour disruptions will be used to advocate labour, political or social goals in the future, labour disruptions could have a material adverse effect on the results of operations of the mineral properties in which the Corporation may hold an interest.

Royalties are based on mine life and in some instances a drop in metal prices or a change in metallurgy may result in a project being shut down with a material, adverse effect on that company's financial position, and in turn, may have a material adverse effect on the financial position of the Corporation.

Registration of royalty interests may not protect interests

The right to record or register royalties, streaming arrangements or other interests in various registries or mining recorders offices may not necessarily provide adequate protection to the royalty or interest holder. Accordingly, the royalty or interest holder may be subject to risk from third parties. While the Corporation seeks to confirm the existence, validity, enforceability, terms and geographic extent of its royalty interests, there can be no assurance that disputes or other problems concerning these and other matters will not arise. Confirming these matters is complex and is subject to the application of the laws of each jurisdiction to the particular circumstances of each parcel of mining property and to the documents reflecting the stream or royalty interests. Similarly, royalty interests in many jurisdictions are contractual in nature, rather than interests in land, and therefore may be subject to change of control, bankruptcy or insolvency of operators, and the Corporation's royalty interests could be materially restricted, reduced or set aside through judicial or administrative proceedings. The Corporation may often not have the protection of security interests, or its security interests may be found to be unenforceable, that could increase its recovery in such situations. In addition, Empress will be subject to the risk that its counterparties under royalty arrangements do not have or lose valid title to the mineral property.

Changes in commodity prices will impact revenues from royalty interests and the Corporation's profitability

Commodity prices fluctuate on a daily basis and are affected by numerous factors including, but not limited to, levels of supply and demand, industrial investment levels, inflation and the level of interest rates, the strength of the US dollar and geopolitical events. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

Material price declines may result decreased revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from royalties or other interests applicable to one or more relevant commodities. Moreover, the broader commodity market tends to be cyclical, and a general downturn in overall commodity prices could result in a significant decrease in overall revenue. Any such price decline may result in a material adverse effect on the Corporation's profitability, results of operations and financial condition and the trading price of the Corporation Shares.

The Corporation owns and may in future acquire royalty interests that are subject to buyback or buy-down rights in favor of the counterparties that could adversely affect the revenues generated from the royalty portfolio

Buy-back or buy-down rights exercised by an operator may permanently eliminate or reduce the Corporation's interest or entitlement under the relevant royalty interest. The exercise of any buy-down rights may result in a material adverse effect on the Corporation's profitability, results of operations and financial condition and the trading price of its securities.

<u>The Corporation will have no or limited control over the operation of the properties in respect of which it holds an interest and the operators' failure to perform or decision to cease or suspend operations will affect the revenues of the Corporation</u>

The Corporation is not directly involved in the operation of mines. The revenue derived from its asset portfolio is based on production by third-party property owners and operators. The owners and operators generally will have the power to determine the manner in which the properties are exploited, including decisions to expand, continue or reduce, suspend or discontinue production from a property or parts thereof, decisions about the marketing of products extracted from the property and decisions to advance exploration efforts and conduct development of non-producing properties. The interests of third-party owners and operators and those of the Corporation on the relevant properties may not always be aligned. As an example, it will usually be in the interest of a royalty holder to advance development and production on properties as rapidly as possible in order to maximize near-term cash flow, while third-party owners and operators may take a more cautious approach to development as they are at risk on the cost of development and operations. Likewise, it may be in the interest of property owners to invest in the development of and emphasize production from projects or areas of a project that are not subject to royalty or other interests. The inability of the Corporation to control the operations for the properties in respect of which it has a royalty or other interest may result in a material adverse effect on its profitability, results of operations and financial condition and the trading price of its securities. In addition, the owners or operators may take action contrary to the Corporation's policies or objectives, be unable or unwilling to fulfill their obligations under their contracts, have difficulty obtaining or be unable to obtain the financing necessary to advance projects or experience financial, operational or other difficulties, including insolvency, which could limit the owner or operator’s ability to perform its obligations under arrangements with the Corporation.

At any time, any of the operators of the properties in respect of which the Corporation holds a royalty or other interest or their successors may decide to suspend or discontinue operations. The Corporation may not be entitled to any material compensation if any of the properties in respect of which it holds a royalty or other interest shuts down or discontinues their operations on a temporary or permanent basis.

<u>The Corporation may acquire royalties or other interests in respect of properties that are speculative and there can be no guarantee that mineable deposits will be discovered, developed or mined</u>

Exploration for metals and minerals is a speculative venture necessarily involving substantial risk. There is no certainty that the expenditures made by the operator of any given project will result in discoveries of commercial quantities of minerals on lands where the Corporation holds royalties or other interests. If mineable deposits are discovered, substantial expenditures are required to establish mineral reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funding required for development can be obtained on terms acceptable to the operator or at all. Although, in respect of these properties, the Corporation intends to hold only royalties or other interests and not be responsible for these expenditures, the operator may not be in a financial position to obtain the necessary funding to advance the project.

Coronavirus (COVID-19)

During 2020-2022 there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Corporation operates. The pandemic could continue to have a negative impact on the stock market and the Corporation's ability to raise new capital. These factors, amongst others, could have a significant impact on the Corporation's operations. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Corporation be unable to continue its business.

Global financial conditions may destabilize

Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. Any sudden or rapid destabilization of global economic conditions could negatively impact the Corporation's ability, or the ability of the owners or operators of the properties in respect of which it holds royalties or other interests, to obtain equity or debt financing or make other suitable arrangements to finance their projects. In the event of increased levels of volatility or a rapid destabilization of global economic conditions, the Corporation's profitability, results of operations and financial condition and the trading price of the Corporation Shares could be adversely affected.

17.2 Additional Securityholder Risk

There is no risk that a securityholder of the Corporation may become liable to make an additional contribution beyond the price they paid to purchase or acquire the Corporation Shares.

17.3 Other Risks

Subject to the risk factors set out in Section 17.1 above, there are no other material risk factors that a reasonable investor would consider relevant to an investment in the Corporation Shares.

18. PROMOTERS

Eagle Plains took the initiative in organizing Eagle Royalties and accordingly, it may be considered a "promoter" within the meaning of Applicable Securities Laws. The only material property Eagle Plains will receive from the Corporation are the Corporation Shares issued pursuant to the Amalgamation in exchange for the Eagle Royalties Shares received by Eagle Plains in accordance with the terms of the Arrangement.

19. LEGAL PROCEEDINGS

19.1 Legal Proceedings

The Corporation is not engaged in any legal proceedings and none of its property is or was the subject of any legal proceedings. The Corporation does not know of any such legal proceedings which are contemplated.

19.2 Regulatory Actions

Neither of 138 or Eagle Royalties has been the subject of any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, any other penalties or sanctions imposed by a court or regulatory body, or entered into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority.

20. INTEREST OF MANAGEMENT & OTHERS IN MATERIAL TRANSACTIONS

20.1 Interest of Management and Others in Material Transactions

No director or executive officer of the Corporation or any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class of the Corporation's outstanding voting securities, or an associate or affiliate of any such persons or companies, has any material interest, direct or indirect, in any transaction preceding the date of this Listing Statement, or any proposed transaction, that has materially affected or will materially affect the Corporation.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

Crowe MacKay LLP, Chartered Professional Accountants of #1100, 1177 West Hastings Street, Vancouver, British Columbia V6E 4T5, will be the auditors of the Corporation.

The Transfer Agent and registrar for the Corporation will be TSX Trust, located at #2110, 685 Centre Street SW, Calgary, Alberta T2G 1S5.

22. MATERIAL CONTRACTS

Except for the Arrangement Agreement and Amalgamation Agreement referenced within this Listing Statement, the Corporation will not have entered into any material contracts at any point prior to the date of this Listing Statement.

23. INTEREST OF EXPERTS

No person or company named in this document as having prepared or certified a part of the document or a report described in this document and no responsible solicitor or any partner of a responsible solicitor's firm, will hold any material beneficial interest, direct or indirect, in any securities or property of the Corporation or of an associate or affiliate of the Corporation.

24. OTHER MATERIAL FACTS

There are no other material facts that are not disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to the Corporation.

25. FINANCIAL STATEMENTS

The following financial statements and Management's Discussion and Analyses of 138, Eagle Royalties and the Corporation are specifically incorporated into and form an integral part of this Listing Statement and are set out in Appendix A:

(a) Eagle Royalties

- Annual Audited Financial Statements for the financial year ended December 31, 2022
- MD&A for the year ended December 31, 2022
- Carve-Out Financial Statements for the financial year ended December 31, 2022

(b) 138

- Annual Audited Financial Statements of 1386884 BC Ltd. for the financial year ended December 31, 2022
- MD&A for the year ended December 31, 2022

(c) *Pro Forma* Financial Statements of the Corporation as of December 31, 2022

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its board of directors, the Corporation hereby applies for the listing of the above-mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to the Corporation. 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 at Cranbrook, British Columbia this 24th day of May 2023.

(Signed) "*Timothy Termuende*"
TIMOTHY J. TERMUENDE
CHIEF EXECUTIVE OFFICER, PRESIDENT & DIRECTOR

(Signed) "*Glen Diduck*"
GLEN J. DIDUCK
CHIEF FINANCIAL OFFICER

(Signed) "*Jesse Campbell*"
JESSE T. CAMPBELL
DIRECTOR

(Signed) "*Charles Downie*"
CHARLES C. DOWNIE
DIRECTOR

EAGLE PLAINS RESOURCES LTD.

(Signed) "*Charles Downie*"
Charles C. Downie
Vice-President

APPENDIX A

Financial Statements

APPENDIX A

FINANCIAL STATEMENTS AND MD&A

Index to Financial Statements and Related MD&A

Eagle Royalties:
Audited financial statements for the year ended December 31, 2022
Management's Discussion and Analysis for the year ended December 31, 2022
Carve-out financial statements for the year ended December 31, 2022
138:
Audited financial statements for the year ended December 31, 2022
Management's Discussion and Analysis for the year ended December 31, 2022
Resulting Issuer:
Pro Forma financial statements as of December 31, 2022

EAGLE ROYALTIES LTD.
AUDITED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

For the period ended
December 31, 2022

Crowe MacKay LLP
1100 - 1177 West Hastings Street
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Fax +1 (604) 687-5805
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Independent Auditor's Report

To the Board of Directors of Eagle Royalties Ltd

Opinion

We have audited the financial statements of Eagle Royalties Ltd (the "Company"), which comprise the statement of financial position as at December 31, 2022 and the statements of comprehensive loss, changes in equity (deficit) and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements which describes the material uncertainty 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 the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
March 17, 2023

(Expressed in Canadian dollars)

As at December 31	**2022**
Assets	
Current	
Cash	**$ 94,460**
Accounts receivable	**5,892**
Prepaids	**8,362**
	$ 108,714
Liabilities and Shareholders' Equity (Deficit)	
Current	
Accounts payable and accrued liabilities (Note 5)	**$ 17,445**
Due to related company (Note 5)	**300,000**
	317,445
Shareholders' equity (deficit)	
Share capital (Note 8)	**10**
Deficit	**(208,741)**
	(208,731)
	$ 108,714

Nature and continuance of operations (Note 1)
Commitments and contingencies (Note 6)
Subsequent event (Note 10)

On behalf of the Board:

"Timothy J Termuende" Director
Mr. Timothy J. Termuende (Signed)

"Charles C. Downie" Director
Mr. Charles C. Downie (Signed)

For the period ended December 31	**2022**
Operating expenses	
Administration costs (Note 5)	**$ 170,204**
Professional fees (Note 5)	**38,537**
Loss for the period	**$ 208,741**
Loss per share – basic and diluted	**$(2,087.41)**
Weighted average number of common shares outstanding – basic and diluted	**100**

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

(Expressed in Canadian dollars)

For the period ended December 31	**2022**
Cash flows from operating activities	
Loss for the period	**$ (208,741)**
Changes in non-cash working capital items	
Increase in GST receivable	**(5,892)**
Increase in accounts payable and accrued liabilities	**17,445**
Increase in prepaids	**(8,362)**
	(205,550)
Cash flows from financing activities	
Advances from related company	**300,000**
Cash from issuance of shares	**10**
	300,010
Increase in cash	**94,460**
Cash, beginning of period	**-**
Cash, end of period	**$ 94,460**

The Company made no cash payments for interest or income taxes in the period.

(Expressed in Canadian dollars)

	Share Capital			
	Shares	Amount	Deficit	Total
Balance, January 21, 2022	-	$ -	$ -	$ -
Shares issued on incorporation	100	10	-	10
Loss for the period	-	-	(208,741)	(208,741)
Balance, December 31, 2022	**100**	**$ 10**	**$ (208,741)**	**$ (208,731)**

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

1. Nature and Continuance of Operations

Eagle Royalties Ltd. (“Eagle Royalties” or the “Company” or “ER”) was incorporated on January 21, 2022 under the laws of the province of Alberta as a wholly-owned subsidiary of Eagle Plains Resources Ltd. (“Eagle Plains” or “EPL”).

The Company was incorporated to manage the net smelter royalties of Eagle Plains. On February 28, 2023, Eagle Plains has entered into an arrangement agreement with ER, and ER has entered into an amalgamation agreement with 1386884 BC Ltd. ("138") whereby, among other things EPL plans to transfer a majority of its portfolio of royalty interests (the "Royalties") to its wholly-owned subsidiary, Eagle Royalties in exchange for certain shares of Eagle Royalties (the "Spin-out Shares") and thereafter, ER and 138 will amalgamate, and apply to be listed on the Canadian Securities Exchange.

The Corporate office and principal place of business is Suite 200, 44-12th Avenue South, Cranbrook, British Columbia, Canada.

This is the first year of operation for Eagle Royalties so there are no comparative figures for the prior year.

These audited financial statements have been prepared on the basis that the Company is a going concern which envisions the Company will be able to realize assets and discharge liabilities in the normal course of operations. The Company currently relies on its parent company to fund its operations, therefore there is a material uncertainty with respect to its ability to continue as a going concern.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

These circumstances could have a negative impact on the stock market, including the selling price of the concurrent financing contemplated in the amalgamation agreement. These factors, amongst others, could have a significant impact on the Company’s operations. The Company has been able to continue with business with minimal impact, the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or future results of operations cannot be predicted at this time. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. Basis of Preparation

(a) Statement of Compliance

The financial statements for the Company for the period ending December 31, 2022 are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements were authorized for issue by the Board of Directors on March 17, 2023.

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”) which are stated at their fair value. These financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

2. Basis of Preparation - continued

(c) Use of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further years if the revision affects both current and future years.

Areas of significant judgement include the going concern assessment (note 1).

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements. The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank balances that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

b) Financial instruments

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition:

- Those measured a fair value through profit and loss (“FVTPL”);
- Those measured at fair value through other comprehensive income (“FVOCI”); and
- Those measured at amortized cost.

Cash is recorded at FVTPL and accounts receivables and accounts payable and accrued liabilities, initially recognized at fair value, are subsequently recorded at amortized cost using the effective interest rate method.

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

c) Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

3. Significant Accounting Policies - continued

c) Income taxes (continued)

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

d) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, options and flow-through shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

e) New accounting pronouncements

The following accounting standards and amendments are effective for future periods.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting years beginning on or after January 1, 2023. There will be no significant impact to the financial statements as a result of the future implementation of these amendments.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. These amendments are effective for reporting periods beginning on or after January 1, 2023. There will be no significant impact to the financial statements as a result of the future implementation of these amendments.

(Expressed in Canadian dollars)

4. Financial Instruments

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

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

December 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:				
Cash	**$ 94,460**	**$ -**	**$ -**	**$ 94,460**

The Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk, credit risk, currency risk and commodity price risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Concentration risk
At December 31, 2022, substantially all of the Company's cash were held at one recognized Canadian national financial institution. As a result, the Company was exposed to all of the risks associated with that institution.

b) Credit risk
The Company is exposed to credit risk, which is the risk that a customer or counterparty will fail to perform an obligation or settle a liability, resulting in financial loss to the Company. The Company manages exposure to credit risk by adopting credit risk guidelines that limit transactions according to counterparty credit worthiness. The maximum credit exposure associated with cash is their carrying values on the statement of financial position.

c) Currency risk
Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company is not exposed to significant currency risk.

d) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of December 31, 2022 equal $17,445. All the liabilities presented as accounts payable and accrued liabilities are due within 30 days of December 31, 2022.

(Expressed in Canadian dollars)

5. Related Party Transactions

The Company was involved in the following related party transactions during the period:

(a) The Company is related to Eagle Plains as a wholly-owned subsidiary. During the period the Company had the following transactions with the related company:

	2022
Administrative services provided by EPL	$ 6,307
Costs reimbursed to EPL	$ 6,534
Advance from EPL	$ 300,000

At December 31, 2022, $742 is included in accounts payable and accrued liabilities.
At December 31, 2022, $300,000 is included in due to related company.

Compensation to key management

Compensation to key management personnel in the period was as follows:

		2022
Consulting fees	to a company owned by a director and officer of ER	$ 79,383
Professional fees	to an officer of ER	37,000
		$ 116,383

(b) Included in administration costs is $79,383 paid or accrued for management services to a company owned by a director and officer of the Company.

(c) Included in professional fees is $37,000 paid or accrued for accounting services to an officer of the Company.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment unless otherwise specified.

6. Commitments and Contingencies

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification. The Company has included in officers' management contracts a change of control clause that would entitle them to compensation of twenty-four (24) months' salary or a lump sum payment as disclosed in their contract should such an event occur.

7. Capital Management

The Company includes cash and shareholders' equity, comprising of issued common shares and deficit, in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and development of royalty interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian dollars)

8. Equity Instruments

(a) Authorized

Unlimited number of common shares without nominal or par value.

Unlimited number of preference shares, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

(b) Issued and outstanding

At December 31, 2022, there were 100 shares outstanding.

(c) Stock Option Plan

The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price of options granted is not less than the market price of the common shares traded less the available discount under Canadian Securities Exchange policies, and is determined by the Board of Directors. Options granted can have a term of up to 10 years.

There were no stock option activities during the year ended December 31, 2022.

9. Income Taxes

As of December 31, 2022, the effective tax rate of income varies from the statutory rate as follows:

	2022
Loss before income taxes	$ (208,741)
Statutory tax rates	27%
Tax recovery at statutory rate	(56,000)
Tax benefits unrecognized	56,000
Deferred income tax recovery	$ -

The components of the Company's unrecognized deferred income tax asset are a result of the origination and reversal of temporary differences and are comprised of the following:

Nature of deferred income tax asset	2022
Non-capital tax losses	$ 209,000
Deferred income tax assets	$ 56,000
Unrecognized deferred tax assets	(56,000)
Deferred income tax liability	$ -

As of December 31, 2022, non-capital tax losses subject to confirmation by income tax authorities, the Company has approximately the following available tax pools, deductible from future taxable income at rates prescribed by the Canadian Income Tax Act expiring:

	2022
2042	$ 209,000

10. Subsequent Event

On February 28, 2023, Eagle Royalties entered into the following agreements:

- an arrangement agreement (the "Arrangement Agreement") with Eagle Plains pursuant to which Eagle Plains will, through a series of transactions, transfer a majority of its portfolio of royalty interests (the "Royalties") and cash of approximately $104,000 to the Company (the "Spin-out Transaction"); and

- an amalgamation agreement (the "Amalgamation Agreement") among EaglePlains, the Company and 138, pursuant to which 138 and the Company will, immediately following the Spin-out Transaction, amalgamate and continue as one company (the "Resulting Issuer") under the name "Eagle Royalties Ltd." (the "Combination Transaction").

The Spin-out Transaction and the Combination Transaction are collectively referred to herein as the "Transaction".

Pursuant to the Spin-out Transaction, the Company plans to issue an aggregate of approximately 42 million common shares of the Company (the "Spinco Shares"). Of the total Spinco Shares so issued, it is expected that approximately 5.2 million Spinco Shares will be distributed to the Eagle Plains and the remaining Spinco Shares (i.e., approximately 36.8 million) will be distributed to shareholders of the Eagle Plains on a 1:3 basis.

Concurrent with the Transaction, 138 will complete a private placement financing (the "Concurrent Financing") raising gross proceeds of approximately $3,000,000 through the issuance of common shares, units or subscription receipts, as the case may be at a price of $0.30 per security. In connection with the Concurrent Financing, 138 may: (i) pay agent commissions in cash of up to 7% of the gross proceed raised from the Concurrent Financing; and (ii) issue broker's warrants, equivalent to 7% of the 138’s securities sold through the Concurrent Financing.

Pursuant to the Combination Transaction, the Company and 138 will amalgamate, and its respective share capital will be completed on 1:1 basis. Following the completion of the Combination Transaction, the Resulting Issuer will make an application for the listing of its common shares on the Canadian Securities Exchange.

The Arrangement Agreement and the Amalgamation Agreement contain customary representations and warranties made by each of the parties to such agreements and also contain customary covenants.

Management Discussion and Analysis
Year-end and Fourth Quarter, 2022

This Management's Discussion and Analysis ("MD&A") of Eagle Royalties Ltd. ("Eagle Royalties", "ER", or the "Company") is dated March 17, 2023 and provides a discussion of the Company's financial and operating results for the quarter and period ended December 31, 2022.

Business Overview

Eagle Royalties (EPL: TSX-V) is a wholly-owned subsidiary of Eagle Plains Resources Ltd. ("Eagle Plains" or "EPL"). The Company was incorporated January 21, 2023 and started operations on May 1, 2022. The Company was incorporated to manage the royalty assets of Eagle Plains. On February 28, 2023, Eagle Plains has entered into an arrangement agreement with ER, and ER has entered into an amalgamation agreement with 1386884 BC Ltd. ("138") whereby, among other things EPL plans to transfer a majority of its portfolio of royalty interests (the "Royalties") to its wholly-owned subsidiary, Eagle Royalties in exchange for certain shares of Eagle Royalties (the "Spin-out Shares") and thereafter, ER and 138 will amalgamate, and apply to be listed on the Canadian Securities Exchange.

Selected Annual Information

Selected annual information from the audited financial statements for the period ended December 31, 2022, the first year of operation, and is presented in the table below. The financial data has been prepared in accordance with International Financial Reporting Standards ("IFRS") and is reported in Canadian dollars.

December 31	2022
Operating revenues	$ -
Profit (Loss) for the year	(208,741)
Net income (loss) per share - Basic	(2,087.41)
Diluted income (loss) per share	(2,087.41)
Total assets	108,714
Total long-term liabilities	-

RESULTS OF OPERATIONS - ANNUAL

Expenditures

For the year ended December 31, 2022, total operating expenses were $208,741.

Administration costs were $170,204 and represented consulting fees of $78,870, wage costs of $75,140 and office costs of $16,194. Professional fees were $38,537 representing accounting fees of $37,000 and legal fees of $1,537.

Liquidity and Financial Resources

At December 31, 2022, the Company had a working capital deficit of $(208,731). The Company received advances from EPL to provide working capital during the period. The Company held cash of $94,460.

The Company held receivables of $20,058 representing a GST receivable of $5,892 and a receivable from EPL of $14,166.

The Company's continuing operations cannot be financed by cash on hand. Expanded operations would require financing, primarily through the public equity markets and the completion of the proposed plan of arrangement and amalgamation. Circumstances that could affect liquidity are significant exploration successes or lack thereof, new acquisitions, changes in metal prices and the general state of the equity markets for junior exploration companies.

Eagle Plains' Royalty Portfolio

Eagle Plains holds potentially valuable royalties on a large number of projects in western Canada covering a broad spectrum of metals and industrial mineral projects including gold, silver, base-metals, uranium, diamonds and gypsum. It is these royalties which are being transferred to Eagle Royalties. One royalty of particular interest on claims formerly known as "McQuesten", underlying the "AurMac" property, currently operated by Banyan Gold Corp. Beginning in 1997, Eagle Plains and predecessor company Miner River Resources Ltd. jointly acquired an interest in claims which are now the target of aggressive drilling and development activity by Banyan. Through a series of subsequent transactions Eagle Plains became the sole holder of royalty interests ranging from 0.5% to 2% on certain claims which comprise part of the AurMac property. On June 29, 2022 Banyan published a N.I. 43-101 compliant report which outlined an inferred mineral resource of 3.99 million ounces of gold, a portion of which appear to be situated on claims subject to EPL NSR's.

Transactions with Related Parties

The Company was involved in the following related party transactions during the period:

(a) The Company is related to Eagle Plains as a wholly-owned subsidiary. During the period the Company had the following transactions with the related company:

	2022
Administrative services provided by EPL	$ 6,307
Costs reimbursed to EPL	$ 6,534
Advance from EPL	$ 300,000

At December 31, 2022, $742 is included in accounts payable and accrued liabilities.
At December 31, 2022, $300,000 is included in due to related company.

Compensation to key management

Compensation to key management personnel in the period was as follows:

		2022
Consulting fees	to a company owned by a director and officer of ER	$ 79,383
Professional fees	to an officer of ER	37,000
		$ 116,383

(b) Included in administration costs is $79,383 paid or accrued for management services to a company owned by a director and officer of the Company.

(c) Included in professional fees is $37,000 paid or accrued for accounting services to an officer of the Company.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment unless otherwise specified.

Disclosure of Management Compensation

The Company has standard compensation agreements with certain Officers to pay for services as an officer of the Company. Payments, including bonuses, totaling $116,383 were paid out in the period.

Summary of Quarterly Results

Year Quarter	2022 Dec 31	2022 Sep 30	2022 Jun 30	2022 Mar 31
Revenues[1]	$ -	$ -	$ -	$ -
Net Profit (Loss)[3]	(97,698)	(51,371)	(59,672)	-
Earnings (Loss) per Share - Basic	(976.98)	(513.71)	(596.72)	-
Diluted earnings (loss) per share	(976.98)	(513.71)	(596.72)	-
Assets	108,714	92,550	50,217	-

For the quarter ended December 31, 2022, the Company recorded net loss of $97,698.

Expenditures

For the quarter ended December 31, 2022, total operating expenses were $97,698. Administration costs were $91,723 and represented consulting fees of $38,230, wage costs of $40,822 and office costs of $12,671. Professional fees were $5,975 representing accounting fee and legal fee.

Critical Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

Financial Instruments

The Company holds cash and accounts receivable and it is management's opinion that the Company is not exposed to significant risks arising from these financial instruments. Substantially all of the Company's cash is held at one recognized Canadian national financial institution. As a result, the Company is exposed to all of the risks associated with this institution. See Note 4 in the financial statements.

Disclosure of Outstanding Share Data

The Company has an unlimited number of common shares without nominal or par value authorized for issuance.

At December 31, 2022 and the date of this MD&A, the Company has 100 common shares issued and outstanding. There are no other classes of shares outstanding.

Accounting Policies

The financial statements for the Company for the period ending December 31, 2022 are prepared in accordance with accounting policies which are consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"). Refer to Note 3 to the financial statements for information pertaining to accounting standards and amendments effective for future years.

Risk Factors

Financial Capability and Additional Financing

The Company has limited financial resources, with its only source of working capital being its parent company. There can be no assurance that it will be able to obtain sufficient financing in the future to carry out work on its projects. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company.

Mining Titles

There is no guarantee that the Company's title to or interests in the Company's royalty interests will not be challenged or impugned. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's royalties. The Company's royalties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. With the exception of certain Crown Granted Mineral Claims and legacy tenures, the Company has not surveyed the boundaries of its properties and consequently the boundaries may be disputed.

There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties.

Management

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

Conflicts of Interest

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

History of Losses and No Assurance of Profitable Operations

The Company has incurred a loss since inception. There can be no assurance that the Company will be able to operate profitably during future periods. If the Company is unable to operate profitably during future periods, and is not successful in obtaining additional financing, the Company could be forced to cease its plans as a result of lacking sufficient cash resources.

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Risk Factors - continued

Price Volatility of Publicly Traded Securities

Following the completion of the amalgamation, the Company plans to apply to list its common shares on the Canadian Securities Exchange. In recent years, the securities markets in the United States and Canada have experienced high levels 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. Any quoted market may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Coronavirus (COVID-19)

During 2020-2022 there has been a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market and the Company's ability to raise new capital. These factors, amongst others, could have a significant impact on the Company's operations. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

Risks and Uncertainties

Management's estimates of mineral prices, mineral resources and operating costs are subject to certain risks and uncertainties which may affect the Company's operation. Although management has made its best estimate of these factors, it is possible that material changes could occur which may adversely affect management's estimate of operating requirements. The Company's success will be dependent upon the extent to which it can acquire additional royalties and the economic viability of developing its royalties. Substantially all of the Company's operating funding must be derived from external financing. Should changes in equity market conditions prevent the Company from obtaining additional external financing; the Company will need to review its future planning.

Forward Looking Statements

"All statements other than those of a historical nature are 'forward-looking statements' that may involve a number of unknown risks, uncertainties and other factors. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements."

Subsequent Events

On February 28, 2023, Eagle Royalties entered into the following agreements:

• an arrangement agreement (the "Arrangement Agreement") between Eagle Plains and its wholly owned subsidiary, the Company, pursuant to which Eagle Plains will, through a series of transactions, transfer a majority of its portfolio of royalty interests (the "Royalties") and cash of approximately $104,000 to the Company (the "Spin-out Transaction"); and

• an amalgamation agreement (the "Amalgamation Agreement") among the Company and 138, pursuant to which 138 and the Company will, immediately following the Spin-out Transaction, amalgamate and continue as one company (the "Resulting Issuer") under the name "Eagle Royalties Ltd." (the "Combination Transaction").

The Spin-out Transaction and the Combination Transaction are collectively referred to herein as the "Transaction".

Pursuant to the Spin-out Transaction, the Company plans to issue an aggregate of approximately 42 million common shares of the Company (the "Spinco Shares"). Of the total Spinco Shares so issued, it is expected that approximately 5.2 million Spinco Shares will be distributed to the Eagle Plains and the remaining Spinco Shares (i.e., approximately 36.8 million) will be distributed to shareholders of the Eagle Plains on a 1:3 basis.

Concurrent with the Transaction, 138 will complete a private placement financing (the "Concurrent Financing") raising gross proceeds of approximately $3,000,000 through the issuance of common shares, units or subscription receipts, as the case may be at a price of $0.30 per security. In connection with the Concurrent Financing, 138 may: (i) pay agent commissions in cash of up to 7% of the gross proceed raised from the Concurrent Financing; and (ii) issue broker's warrants, equivalent to 7% of the 138's securities sold through the Concurrent Financing.
Pursuant to the Combination Transaction, the Company and 138 will amalgamate, and its respective share capital will be completed on 1:1 basis. Following the completion of the Combination Transaction, the Resulting Issuer will make an application for the listing of its common shares on the Canadian Securities Exchange.

The Arrangement Agreement and the Amalgamation Agreement contain customary representations and warranties made by each of the parties to such agreements and also contain customary covenants

Outlook

2022 and early 2023 have been an exciting and transformative period for Eagle Royalties. With the proposed spin-out of Eagle Royalties, subsequent amalgamation with a well-funded private company and plans for listing on the CSE, management has been busy completing the necessary legal, accounting and administrative steps toward completing this goal. On completion of the transaction, Eagle Royalty shares will be distributed to existing Eagle Plains shareholders on a 1:3 basis. Management is confident the proposed transaction will be beneficial to all shareholders and will serve to unlock the significant value of the various diverse royalty assets. We thank our shareholders for their continuing support and look optimistically to the future.

On behalf of the Board of Directors

"Timothy J. Termuende"

Timothy J. Termuende, P.Geo.
President and CEO

EAGLE ROYALTIES LTD.
CARVE OUT FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

For the years ended
to December 31, 2022 and 2021

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Independent Auditor's Report

To the Board of Directors of Eagle Royalties Ltd

Opinion

We have audited the carve out financial statements of Eagle Royalties Ltd (the "Business"), which comprise the carve out statements of financial position as at December 31, 2022 and December 31, 2021 and the carve out statements of comprehensive loss, changes in equity (deficit) and cash flows for the years then ended, and notes to the carve out financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying carve out financial statements present fairly, in all material respects, the financial position of the Business as at December 31, 2022 and December 31, 2021, and its financial performance and its cash flows for the years then ended in accordance with a reporting framework specified in subsection 3.11(b) of National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards for carve-out financial statements.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the carve out financial statements which describes the material uncertainty that may cast significant doubt on the Business' ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the carve out financial statements in accordance with a reporting framework specified in subsection 3.11(b) of National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards for carve-out financial statements, and for such internal control as management determines is necessary to enable the preparation of carve out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve out financial statements, management is responsible for assessing the Business' 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 Business or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Carve Out Financial Statements

Our objectives are to obtain reasonable assurance about whether the carve out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve out 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 carve out 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 Business' 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 Business' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Business to cease to continue as a going concern.

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

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

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
March 17, 2023

EAGLE ROYALTIES LTD.
CARVE OUT STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

As at December 31		**2022**		2021
Assets				
Current				
Accounts receivable	**$**	**10**	$	10
Royalty assets (Note 5)		**-**		-
	$	**10**	$	10
Shareholders' equity (deficit)				
Share capital (Note 6)		**10**		10
Contributed surplus		**551,182**		271,870
Deficit		**(551,182)**		(271,870)
	$	**10**	$	10

Nature and continuance of operations (Note 1)
Commitments and contingencies (Note 8)

On behalf of the Board:

"Timothy J Termuende" Director
Mr. Timothy J. Termuende (Signed)

"Charles C. Downie" Director
Mr. Charles C. Downie (Signed)

EAGLE ROYALTIES LTD.
CARVE OUT STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

For the years ended December 31	2022	2021
Operating expenses		
Administration costs (Note 7)	**$ 223,775**	$ 217,870
Professional fees (Note 7)	**55,537**	54,000
Comprehensive loss for the year	**$ 279,312**	$ 271,870
Loss per share – basic and diluted	**$(0.00)**	$(0.00)
Weighted average number of shares outstanding – basic and diluted	**35,466,646**	33,302,072

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

EAGLE ROYALTIES LTD.
CARVE OUT STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

For the years ended December 31	2022	2021
Cash flows from operating activities		
Loss for the year	**$ (279,312)**	$ (271,870)
	(279,312)	(271,880)
Cash flows from financing activities		
Funds provided by Eagle Plains	**279,312**	271,870
	279,312	271,880
Increase in cash	**-**	-
Cash, beginning of year	**-**	-
Cash, end of year	**$ -**	$ -

The Company made no cash payments for income taxes.

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

EAGLE ROYALTIES LTD.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
(Expressed in Canadian dollars)

	Share Capital			Contributed	
	Shares	Amount	Deficit	Surplus	Total
Balance, December 31, 2020	100	$10	$ -	$ -	$ 10
Funds provided by Eagle Plains	-	-	-	271,870	271,870
Loss for the year	-	-	(271,870)	-	(271,870)
Balance, December 31, 2021	100	10	(271,870)	271,870	10
Funds provided by Eagle Plains	-	-	-	279,312	279,312
Loss for the year	-	-	(279,312)	-	(279,312)
Balance, December 31, 2022	**100**	**$10**	**$(551,182)**	**$551,182**	**$10**

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

1. Nature and Continuance of Operations

These carve-out financial statements reflect the financial position, results of operations, and cash flows for the Eagle Royalties business (the “Business”), a division of Eagle Plains Resources Ltd. (“Eagle Plains”) which is to be transferred from Eagle Plains pursuant to the arrangement described in Note 2.

The corporate office and principal place of business is Suite 200, 44-12th Avenue South, Cranbrook, British Columbia, Canada.

These carve out financial statements have been prepared on the basis that the Company is a going concern which envisions the Company will be able to realize assets and discharge liabilities in the normal course of operations. The administrative and legal expense was estimated based on actual expenditures in 2022. There are no expenses reported prior to 2021 because the Company did not devote significant time on the Business until 2021. Management cautions readers of these carve-out financial statements that the allocation of expenses does not necessarily reflect an accurate presentation of operating expenses that the Company would have incurred in the afore-mentioned years or will incur in the future.

The Business’ ability to continue as a going concern is dependent on Eagle Royalties Ltd. (“Eagle Royalties”), a new company incorporated on January 21, 2022 to receive the Business, the ability of Eagle Royalties to raise equity or debt financing or the attainment of profitable operations to settle liabilities as they become payable. These material uncertainties may cast significant doubt about the Business’ ability to continue as a going concern. These carve out financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary, should the Business be unable to continue as a going concern.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business. These factors, amongst others, could have a significant impact on the Company’s operations. These carve out financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. Transfer of Business

Eagle Plains intends to proceed with a reorganization which will have the result of separating its present exploration and evaluation net smelter return royalty interests (the “Royalty Assets”) into a separate public company. Upon implementation of the Plan of Arrangement (the “Arrangement”), Eagle Royalties will hold the Royalty Assets and Eagle Plains will continue to hold the remaining assets.

Each Eagle Plains Shareholder, other than a Dissenting Shareholder, will, immediately after the Arrangement, hold one new common share in the capital of Eagle Plains ("Eagle Plains New Share") and one-third of a common share in the capital of Eagle Royalties ("ER Share") for each Eagle Plains common share ("Eagle Plains Share") held immediately prior to the Arrangement, where the Eagle Plains New Shares will be identical in every respect to the present Eagle Plains Shares. Eagle Plains will own twelve-point three percent (12.3%) of the issued and outstanding ER Shares upon completion of the Arrangement.

Concurrently, Eagle Royalties will amalgamate with 1386884 BC Ltd. (“138”) wherein 138 will complete a financing for 10,000,000 shares at $0.30 per share.

3. Basis of Preparation

(a) Statement of Compliance

The carve out financial statements for the Company for the years ending December 31, 2022 and 2021 are prepared in accordance with a reporting framework specified in subsection 3.11(b) of National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards for carve-out financial statements. Subsection 3.11(b) of National Instrument 52-107 requires the financial statements be prepared in accordance with Canadian generally accepted accounting principles applicable to publicly accountable enterprises (International Financial Reporting Standards).

These carve out financial statements were authorized for issue by the Board of Directors on March 17, 2023p.

(b) Basis of Measurement

These carve out financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL") which are stated at their fair value. These carve out financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These carve out financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(c) Use of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

Significant areas requiring the use of management estimates include the determination of the allocation of Eagle Plains' general and administrative expenses included in the carve-out statements of comprehensive loss.

Areas of significant judgment include the going concern assessment (note 1).

4. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these carve out financial statements. The accounting policies have been applied consistently by the Company. The carve out financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Financial instruments

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 requires financial assets to be classified into one of the following three measurement categories on initial recognition:

- Those measured a fair value through profit and loss ("FVTPL");
- Those measured at fair value through other comprehensive income ("FVOCI"); and
- Those measured at amortized cost.

Accounts receivable initially recognized at fair value, are subsequently recorded at amortized cost using the effective interest rate method.

4. Significant Accounting Policies - continued

a) Financial instruments - continued

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments.

b) Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

c) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, options and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

d) Per share cost

Basic loss per share is calculated using the weighted average number of shares outstanding during the period. The shareholders of Eagle Plains will receive 1 common share of Eagle Royalties for 3 common shares of Eagle Plains. Accordingly, the weighted average number of shares used is one-third of the weighted average number of shares of Eagle Plains for the respective periods.

The Business uses the treasury stock method of calculating fully diluted per share amounts whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the year. Diluted loss per share has not been presented separately as the outstanding options and warrants are anti-dilutive for each period presented.

e) Royalty assets

Royalty assets consist of net smelter return royalties on exploration stage mineral properties and are capitalized as intangible assets. They are initially recorded at cost and subsequently measured at cost less accumulated depletion and accumulated impairment losses, if any. Depletion, using the units of production basis over the expected life of the related mineral property, commences when the mineral property enters the production stage. The expected life of the mineral property is determined using available estimates of future metal prices and future production. Proven and probable reserves and future production plans associated with the royalty assets as determined by the operators impact the measurement of the respective assets. These estimates affect the depletion of the royalty assets and the assessment of the recoverability of the carrying value of the royalty assets.

(Expressed in Canadian dollars)

4. Significant Accounting Policies - continued

e) Royalty assets - continued

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's royalty assets are impaired. External sources of information that management considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its royalty interests. Internal sources of information that management considers include the indications of economic performance of the assets.

In determining the recoverable amounts of the Company's royalty assets, management makes estimates of the discounted net cash flows expected to be derived from the Company's royalty assets, costs of disposal, and the appropriate discount rates and discount multiples that apply to the specific asset. Reductions in metal price forecasts, increases in estimated future costs of production for the mine operators, reductions in the amount of recoverable mineral reserves, mineral resources, and exploration potential, and/or adverse current economics can result in a write-down of the carrying amounts of the Company's royalty assets.

5. Royalty Assets

Eagle Royalties holds royalties on a large number of projects in western Canada covering a broad spectrum of metals and industrial mineral projects including gold, silver, base-metals, uranium, diamonds and gypsum.

6. Equity Instruments

(a) Authorized

Unlimited number of common shares without nominal or par value.

Unlimited number of first and second preference shares without nominal or par value, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

(b) Issued and outstanding

At December 31, 2022, there were 100 (2021 – 100) shares outstanding.

7. Related Party Transactions

The Company was involved in the following related party transactions during the year:

(a) The Company is related to Eagle Plains through common directors. During the year the Company had the following transactions with the related company:

	2022	2021
Funds provided by Eagle Plains	**$ 551,182**	$ 271,870

(b) Compensation to key management personnel in the year:

	2022	2021
Administration costs		
Management fees	**$ 96,000**	$ 96,000
Professional fees	**42,000**	42,000
	$ 138,000	$ 138,000

(Expressed in Canadian dollars)

7. Related Party Transactions - continued

(c) Included in administration costs is $96,000 (2021 - $96,000) paid or accrued for management services to a company owned by a director and officer of the Company.

(d) Included in professional fees is $42,000 (2021 - $42,000) paid or accrued for accounting services to a director and officer of the Company.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties.

8. Commitments and Contingencies

All expenses or costs, including without limitation, financial, advisory, accounting and legal fees, incurred to give effect to the transactions as contemplated in this Agreement shall be initially borne by Eagle Plains on the condition that all applicable expenses and costs shall be reimbursed by Eagle Royalties Ltd. following the closing date.

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification. The Company has included in officers' management contracts a change of control clause that would entitle them to compensation of approximately twenty-four (24) months' salary should such an event occur.

9. Capital Management

The Company includes cash, share capital and deficit, in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended December 31, 2022 and 2021. The Company is not subject to externally imposed capital requirements.

10. Income Taxes

As of December 31, 2022 and 2021, the effective tax rate of income varies from the statutory rate as follows:

	2022	2022
Loss before income taxes	$ (279,312)	$ (271,870)
Statutory tax rates	27%	27%
Tax recovery at statutory rate	(75,000)	(73,000)
Tax benefits unrecognized	75,000	73,000
Deferred income tax recovery	$ -	$ -

(Expressed in Canadian dollars)

10. Income Taxes - continued

The components of the Company's unrecognized deferred income tax asset are a result of the origination and reversal of temporary differences and are comprised of the following:

	2022	2021
Non-capital tax losses	$ 551,000	$ 272,000

As of December 31, 2022, non-capital tax losses subject to confirmation by income tax authorities, the Company has approximately the following available tax pools, deductible from future taxable income at rates prescribed by the Canadian Income Tax Act expiring:

2041	$ 272,000
2042	$ 279,000

1386884 B.C. LTD.

FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE PERIOD FROM INCORPORATION ON NOVEMBER 15, 2022
TO DECEMBER 31, 2022

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Independent Auditor's Report

To the Board of Directors of 1386884 B.C. Ltd.

Opinion

We have audited the financial statements of 1386884 B.C. Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2022 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements which describes the material uncertainty 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 the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
March 17, 2023

1386884 B.C. LTD.
STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

AS AT	December 31, 2022
ASSETS	
Current	
Cash	$ 94,073
	$ 94,073
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current	
Accounts payable and accrued liabilities	$ 7,354
Shareholders' equity	
Share capital (Note 4)	100,000
Deficit	(13,281)
	86,719
	$ 94,073

Nature and continuance of operations and going concern (Note 1)

Approved and authorized by the sole director on March 17, 2023.

"James Pakulis" Director

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

1386884 B.C. LTD.
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

		Period from incorporation on November 15, 2022 to December 31, 2022
EXPENSES		
Bank charges	$	78
Management fees (Note 5)		5,849
Professional fees		7,354
Loss and comprehensive loss for the period	$	(13,281)
Basic and diluted loss per common share	$	(0.00)
Weighted average number of common shares outstanding		2,717,392

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

1386884 B.C. LTD.
STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)

		Period from incorporation on November 15, 2022 to December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$	(13,281)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities		7,354
Net cash used in operating activities		(5,927)
CASH FLOWS FROM FINANCING ACTIVITIES		
Private placement		100,000
Net cash provided by financing activities		100,000
Change in cash for the period		94,073
Cash, beginning of period		**-**
Cash, end of period	$	94,073
SUPPLEMENTARY CASH FLOW INFORMATION		
Cash paid for taxes	$	-
Cash paid for interest	$	-

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

1386884 B.C. LTD.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Common Shares						
	Number		Amounts		Deficit		Total
Balance, November 15, 2022 (incorporation)	1	$	1	$	-	$	1
Cancellation of incorporation share	(1)		(1)		-		(1)
Private placement	5,000,000		100,000		-		100,000
Net loss for the period	-		-		(13,281)		(13,281)
Balance, December 31, 2022	5,000,000	$	100,000	$	(13,281)	$	86,719

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

1. NATURE OF OPERATIONS AND GOING CONCERN

1386884 B.C. Ltd. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on November 15, 2022. The Company maintains its registered office at 2080-777 Hornby Street, Vancouver, British Columbia, Canada V6Z 1S4. The head office and principal address of the Company is 2080-777 Hornby Street, Vancouver, British Columbia, Canada V6Z 1S4. The Company was incorporated as financing vehicle for the target company for certain royalty interests to be spun out from Eagle Plains Resources Ltd.

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's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses. The Company has limited capital and will require completion of the proposed transaction (note 9) to continue operations for the upcoming year. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

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").

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.

3. SIGNIFICANT ACCOUNTING POLICIES

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

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 ("FVTPL"). The Company's cash is recorded at FVTPL as it meets the required criteria.

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'.

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 accounts payable and accrued liabilities.

Fair value hierarchy

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

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

Cash is measured at level 1 of the fair value hierarchy.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

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.

New accounting pronouncements

The following accounting standards and amendments are effective for future periods.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting years beginning on or after January 1, 2023. There will be no significant impact to the financial statements as a result of the future implementation of these amendments.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. These amendments are effective for reporting periods beginning on or after January 1, 2023. There will be no significant impact to the financial statements as a result of the future implementation of these amendments.

4. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

On December 6, 2022, the Company completed a private placement of 5,000,000 common shares at a price of $0.02 per common share for gross proceeds of $100,000.

(Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

Key management personnel includes the sole director and Chief Executive Officer ("CEO") of the Company. In the period from incorporation on November 15, 2022 to December 31, 2022, the CEO was compensated $5,849 for management services.

6. INCOME TAXES

		Period from incorporation on November 15, 2022 to December 31, 2022
Income before income tax	$	(13,281)
Statutory income tax rate		27.00%
Expected income tax recovery	$	(3,586)
Changes in benefits not recognized		3,586
Income tax expense (recovery)	$	-

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:

		December 31, 2022
Non-capital losses	$	13,000
Unrecognized deductible temporary differences	$	13,000

As at December 31, 2022, the Company has Canadian non-capital losses of $13,000 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 December 31, 2042.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENTS

Financial instruments

Cash is carried at FVTPL 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.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENTS (cont'd…)

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. 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 December 31, 2022, the Company had working capital of $86,719. The Company's financial obligations are limited to accounts payable and accrued liabilities, which have contractual maturities of less than a year.

8. CAPITAL MANAGEMENT

The Company's capital structure includes shareholders' equity of $86,719 as at December 31, 2022. The Company's mandate is to execute on the proposed transaction (Note 9) which is the primary purpose of its capital resources. The Company is not subject to externally imposed capital requirements.

9. PROPOSED TRANSACTIONS

On February 28, 2023, Eagle Plains Resources Ltd. ("Eagle Plains") entered into the following agreements:

- an arrangement agreement (the "Arrangement Agreement") between Eagle Plains and its wholly owned subsidiary, Eagle Royalties Ltd. ("Eagle Royalties"), pursuant to which Eagle Plains will, through a series of transactions, transfer a majority of its portfolio of royalty interests (the "Royalties") and cash of approximately $104,000 to Eagle Royalties (the "Spin-out Transaction"); and

- an amalgamation agreement (the "Amalgamation Agreement") among the Company and Eagle Royalties, pursuant to which Eagle Royalties and the Company will, immediately following the Spin-out Transaction, amalgamate and continue as one company (the "Resulting Issuer") under the name "Eagle Royalties Ltd." (the "Combination Transaction").

The Spin-out Transaction and the Combination Transaction are collectively referred to herein as the "Transaction".

Pursuant to the Spin-out Transaction, Eagle Royalties plans to issue an aggregate of approximately 42 million common shares of Eagle Royalties (the "Spinco Shares"). Of the total Spinco Shares so issued, it is expected that approximately 5.2 million Spinco Shares will be distributed to the Eagle Plains and the remaining Spinco Shares (i.e., approximately 36.8 million) will be distributed to shareholders of the Eagle Plains on a 1:3 basis.

Concurrent with the Transaction, the Company will complete a private placement financing (the "Concurrent Financing") raising gross proceeds of approximately $3,000,000 through the issuance of common shares, units or subscription receipts, as the case may be at a price of $0.30 per security. In connection with the Concurrent Financing, the Company may: (i) pay agent commissions in cash of up to 7% of the gross proceed raised from the Concurrent Financing; and (ii) issue broker's warrants, equivalent to 7% of the Company's securities sold through the Concurrent Financing.

9. PROPOSED TRANSACTIONS (cont'd…)

Pursuant to the Combination Transaction, the Company and Eagle Royalties will amalgamate, and its respective share capital will be completed on 1:1 basis. Following the completion of the Combination Transaction, the Resulting Issuer will make an application for the listing of its common shares on the Canadian Securities Exchange ("CSE").

The Arrangement Agreement and the Amalgamation Agreement contain customary representations and warranties made by each of the parties to such agreements and also contain customary covenants.

The Amalgamation Agreement includes customary provisions relating to non-solicitation, subject to customary "fiduciary out" provisions that entitle Eagle Royalties and Eagle Plains to consider any unsolicited bona fide written proposal, subject to compliance with certain covenants in the Amalgamation Agreement, that, having regard to all of the terms and conditions of such proposal, if consummated in accordance with its terms, constitutes or is reasonably expected to lead to a superior proposal in comparison to the Transaction. Subject to customary matching rights given to the Company, the board of directors of Eagle Royalties and Eagle Plains may terminate the Amalgamation Agreement to enter into a definitive agreement in respect of a superior proposal.

1386884 B.C. Ltd.

(“the Company”)

FORM 51-102F1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE PERIOD FROM INCORPORATION ON NOVEMBER 15, 2022 TO DECEMBER 31, 2022

Introduction

This Management’s Discussion and Analysis (“MD&A”) of 1386884 B.C. Ltd. is the responsibility of management and covers the period from incorporation on November 15, 2022 to December 31, 2022. The MD&A takes into account information available up to and including March 17, 2023 and should be read together with the audited financial statements for the period from incorporation on November 15, 2022 to December 31, 2022.

The Company was incorporated as the target company for certain royalty interests that are to be spun out from Eagle Plains Resources Ltd. (“Eagle Plains”). Refer to the Proposed Transaction section below for a description of the transaction.

The Company was incorporated under the *Business Corporations Act* (British Columbia) on November 15, 2022. The address of its head office is located at Suite 2080-777 Hornby Street, Vancouver, British Columbia, Canada V6Z 1S4. The Company’s registered and records office is Suite 2080-777 Hornby Street, Vancouver, British Columbia, Canada V6Z 1S4.

All financial information in this document is prepared in accordance with International Financial Reporting Standards (“IFRS”) and is presented in Canadian dollars unless otherwise indicated.

This document contains forward-looking statements. Please refer to “Note Regarding Forward-Looking Statements.”

Description of Business

The Company was incorporated as a financing entity for the target company for certain royalty interests to be spun out from Eagle Plains Resources Ltd., a public company listed on the TSX Venture Exchange under the symbol “EPL”.

Proposed Transaction

On February 28, 2023, Eagle Plains Resources Ltd. (“Eagle Plains”) entered into the following agreements:

- an arrangement agreement (the "Arrangement Agreement") between Eagle Plains and its wholly owned subsidiary, Eagle Royalties Ltd. ("Eagle Royalties"), pursuant to which Eagle Plains will, through a series of transactions, transfer a majority of its portfolio of royalty interests (the "Royalties") to Eagle Royalties (the "Spin-out Transaction"); and

- an amalgamation agreement (the "Amalgamation Agreement") among the Company and Eagle Royalties, pursuant to which Eagle Royalties and the Company will, immediately following the Spin-out Transaction, amalgamate and continue as one company (the "Resulting Issuer") under the name "Eagle Royalties Ltd." (the "Combination Transaction").

The Spin-out Transaction and the Combination Transaction are collectively referred to herein as the "Transaction".

Pursuant to the Spin-out Transaction, Eagle Royalties plans to issue an aggregate of approximately 42 million common shares of Eagle Royalties (the "Spinco Shares"). Of the total Spinco Shares so issued, it is expected that approximately 5.2 million

Spinco Shares will be distributed to the Eagle Plains and the remaining Spinco Shares (i.e., approximately 36.8 million) will be distributed to shareholders of the Eagle Plains on a 1:3 basis.

Concurrent with the Transaction, the Company will complete a private placement financing (the "Concurrent Financing") raising gross proceeds of approximately $3,000,000 through the issuance of common shares, units or subscription receipts, as the case may be at a price of $0.30 per security. In connection with the Concurrent Financing, the Company may: (i) pay agent commissions in cash of up to 7% of the gross proceed raised from the Concurrent Financing; and (ii) issue broker's warrants, equivalent to 7% of the Company’s securities sold through the Concurrent Financing.

Pursuant to the Combination Transaction, the Company and Eagle Royalties will amalgamate, and its respective share capital will be completed on 1:1 basis. Following the completion of the Combination Transaction, the Resulting Issuer will make an application for the listing of its common shares on the Canadian Securities Exchange ("CSE").

The Arrangement Agreement and the Amalgamation Agreement contain customary representations and warranties made by each of the parties to such agreements and also contain customary covenants.

The Amalgamation Agreement includes customary provisions relating to non-solicitation, subject to customary "fiduciary out" provisions that entitle Eagle Royalties and Eagle Plains to consider any unsolicited bona fide written proposal, subject to compliance with certain covenants in the Amalgamation Agreement, that, having regard to all of the terms and conditions of such proposal, if consummated in accordance with its terms, constitutes or is reasonably expected to lead to a superior proposal in comparison to the Transaction. Subject to customary matching rights given to the Company, the board of directors of Eagle Royalties and Eagle Plains may terminate the Amalgamation Agreement to enter into a definitive agreement in respect of a superior proposal.

The completion of the Transaction is subject to the satisfaction of various conditions including but not limited to receipt of all requisite regulatory, TSXV, CSE, court or governmental authorizations and third party approvals or consents.

Performance Summary and Subsequent Events

During the period from incorporation on November 15, 2022 to December 31, 2022 the Company:

- Appointed James Pakulis as sole director and Chief Executive Officer.
- Completed a private placement of 5,000,000 common shares at a price of $0.02 per common share for gross proceeds of $100,000.

Subsequent to December 31, 2022, the Company:

- Entered into the Amalgamation Agreement in order to pursue the Combination Transaction as proposed.

Outlook

The Company intends to execute on the Combination Transaction as part of the Transaction led by Eagle Plains. The activities of the Resulting Issuer will centre on the activities contemplated by Eagle Royalties.

Annual Operating Results and Results of Operations

		Period from incorporation on November 15, 2022 to December 31, 2022
Working capital	$	86,719
Net loss and comprehensive loss		(13,281)
Net loss per share - basic		(0.00)

The financial statements reflect the financial condition of the Company's business for the period from incorporation on November 15, 2022 to December 31, 2022 during which there were no significant financial transactions. During this period, the Company incurred a loss of $13,281 which included management fees paid to the CEO of $5,849 and professional fees of $7,354 in order to incorporate and activate the Company.

Summary and Discussion of Quarterly Results

As the Company is newly incorporated, the Company has no historic quarterly results.

Liquidity

The Company, as at December 31, 2022, has positive working capital considered to be sufficient to execute on the Transaction.

Related Party Transactions

In the period from incorporation on November 15, 2022 to December 31, 2022, the CEO was compensated $5,849 for management services.

Outstanding Share Data

Common Shares:

As at the date of this report the Company had 5,000,000 common shares issued and outstanding.

Contractual Obligations

Except as described herein or in the Company's financial statements at for the period from November 15, 2022 to December 31, 2022, the Company had no material contractual obligations.

Off-Balance Sheet Arrangements

At December 31, 2022, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Please refer to the Proposed Transaction section above. Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Capital Resources

Except as elsewhere disclosed in this document, the Company has no commitments for capital expenditures at the date of this report.

The Company's capital structure includes shareholders' equity of $86,719 as at December 31, 2022. The Company's mandate is to execute on the Transaction which is the primary purpose of its capital resources. The Company is not subject to externally imposed capital requirements.

Risk Factors

The Company exists for the purpose of executing on the Transaction. The material risk facing the Company relates to the execution of the Transaction and the associated risks of completion including, but not limited to, approval for listing on the CSE, acquisition of all required court, regulatory and third party approvals, and execution of the respective parties' responsibilities and requirements to execute on the Transaction.

There is no assurance that the Transaction will be completed or that the Resulting Issuer's shares will be listed on any stock exchange. The value of the Company is dependent on the completion of the Transaction, and the ability to obtain a listing on the CSE of the Resulting Issuer's common shares. Accordingly, if any of these events do not occur, the value of the Company's shares and the ability to monetize the Company's shares will be materially and adversely affected.

Changes in Accounting Policies including Initial Adoption

The accounting policies applied in preparation of the financial statements are disclosed in the Company's audited financial statements for the period from incorporation on November 15, 2022 to December 31, 2022.

Note Regarding Forward-Looking Statements

Except for historical information, this MD&A may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following: general economic conditions; changes in financial markets; the impact of exchange rates; changes in regulatory requirements impacting the Company's operations; and the sufficiency of current working capital.

This list is not exhaustive and these and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

EAGLE ROYALTIES LTD.

PRO FORMA FINANCIAL STATEMENTS
(Unaudited - prepared by management)

As at December 31, 2022

EAGLE ROYALTIES LTD.
PRO FORMA STATEMENT OF FINANCIAL POSITION
(Unaudited - prepared by management)
(Expressed in Canadian dollars)

As at December 31, 2022

	Eagle Royalties Business	Eagle Royalties Ltd.	1386884 BC Ltd	Pro Forma Adjustments (Note 2)				Eagle Royalties Ltd.
Assets								
Current								
Cash	$ -	$ 94,460	$94,073	3,000,000	2(b)	103,529	2(a)	$3,082,062
				(210,000)	2(b)	-		
Accounts receivable	10	5,892	-	(10)	2(c)	-		5,892
Prepaids	-	8,362	-	-		-		8,362
	10	108,714	94,073					3,096,316
Royalty assets	-	-	-	-		-		-
	$ 10	$ 108,714	$94,073					$3,096,316
Liabilities and Shareholders' Equity								
Current								
Accounts payable and accrued liabilities	$ -	$ 17,445	$7,354	-		-		$ 24,799
Due to related company	-	300,000	-	-		-		300,000
	551,182	317,445	7,354					324,799
Shareholders' equity								
Share capital	10	10	100,000	(10)	2(c)	103,529	2(a)	2,983,539
				(220,000)	2(b)	3,000,000	2(b)	
Contributed surplus	551,182	-	-	(208,741)	2(c)	-		342,441
Reserves	-	-	-	-		10,000	2(b)	10,000
Deficit	(551,182)	(208,741)	(13,281)	208,741	2(c)			(564,463)
	10	(208,731)	86,719					2,771,517
	$ 10	$ 108,714	$94,073					$3,096,316

EAGLE ROYALTIES LTD.
PRO FORMA STATEMENT OF COMPREHENSIVE LOSS
(Unaudited - prepared by management)
(Expressed in Canadian dollars)

For the year ended December 31,2022

	Eagle Royalties Business	Eagle Royalties Ltd.	1386884 BC Ltd	Pro Forma Adjustments (Note 2)		Eagle Royalties Ltd.
Operating expenses						
Administration costs	$ 223,775	$170,204	$5,927	(170,204)	2(c)	$ 229,702
Professional fees	55,537	38,537	7,354	(38,537)	2(c)	62,891
Comprehensive loss for the year	$(279,312)	$(208,741)	$(13,281)			$(292,593)

1. Plan of Arrangement and Basis of Presentation

These unaudited pro forma statements of financial position have been compiled for purposes of inclusion in the Management Information Circular of Eagle Plains Resources Ltd. ("Eagle Plains") dated March 17, 2023.

Eagle Royalties Ltd. ("Eagle Royalties") is a wholly-owned subsidiary of Eagle Plains Resources Ltd. ("Eagle Plains"). The Company was incorporated January 21, 2023 in the province of Alberta to manage the net smelter return ("NSR") royalties of Eagle Plains. On February 28, 2023, Eagle Plains entered into an arrangement agreement with Eagle Royalties, whereby among other things Eagle Plains plans to transfer a majority of its portfolio of royalty interests (the "Royalty Assets") to Eagle Royalties in exchange for certain shares of Eagle Royalties to be issued to Eagle Plains' shareholders (the "Plan of Arrangement"). Immediately following this Plan of Arrangement, Eagle Royalties would amalgamate with 1386884 BC Ltd. ("138") on a 1:1 basis (the "Amalgamation") pursuant to the amalgamation agreement dated February 28, 2023, effectively providing the necessary funding to Eagle Royalties to facilitate a listing application on the Canadian Securities Exchange ("CSE"). Prior to the Amalgamation, 138 will complete a financing for 10,000,000 shares at $0.30 per share.

The unaudited pro forma statement of financial position and the unaudited pro forma statement of comprehensive loss have been derived from:

- the audited carve out statement of financial position and audited carve out statement of comprehensive loss of the Eagle Royalties Business as at December 31, 2022 and for the period then ended;
- the audited statement of financial position and audited statement of comprehensive loss of Eagle Royalties as at December 31, 2022 and for the period then ended;
- the audited statement of financial position and audited statement of loss and comprehensive loss of 138 as at December 31, 2022 and for the period then ended; and
- the adjustments and assumptions contained in Note 2.

The pro forma statement of financial position is prepared as if the Plan of Arrangement and the Amalgamation (collectively, the "Corporate Transactions") had taken place as of December 31, 2022. The pro forma statement of comprehensive loss is prepared as if the Corporate Transactions had taken place as of January 1, 2022. In the opinion of management, the pro forma financial statements contain all the necessary adjustments for a fair presentation in accordance with International Financial Reporting Standards.

These pro forma financial statements are not intended to reflect the financial position that would have occurred if the events reflected therein had been in effect at the dates indicated. Further, these pro forma financial statements are not necessarily indicative of the financial position that may be obtained in the future.

2. Pro Forma Assumptions and Adjustments

The unaudited pro forma statements of financial position give effect to the Corporate Transactions, as described in the Management Information Circular, as if it had occurred as at December 31, 2022 and based on the following assumptions:

(a) Eagle Plains per the Plan of Arrangement will transfer the following assets to Eagle Royalties:

- Interest in NSR royalties, with a fair value of $6,500,000 as determined by management, will be exchanged for 36,821,908 Eagle Royalties shares which will be distributed to current Eagle Plains shareholders.

  The fair value for the royalty assets has used the following assumptions:
  Valuation by third party valued one royalty at $3.7M to $4.7M.
  There are 49+ other royalties being transferred which would increase the above value.
  Management compared numerous similar market transactions.
  Management determined $6.5M is a reasonable and a fair valuation.
  Cost of the royalty assets is $nil.

Under IFRS 3 Business Combinations, the Plan of Arrangement between Eagle Plains and Eagle Royalties is considered to be a transaction between parties under common control. As the shareholders of Eagle Royalties continue to hold their respective interests in Eagle Royalties, there is no resultant change of control in either Eagle Royalties, or the Royalty Assets transferred. As such, the Plan of Arrangement is considered a capital reorganization and is excluded from the scope of IFRS 3. Accordingly the value of the Royalty Assets is recorded for accounting purposes at its historical carrying cost of nil.

Eagle Plains will also subscribe for 5,176,425 Eagle Royalties common shares for $103,529 resulting in Eagle Plains owing 12.3% of the outstanding shares in Eagle Royalties.

(b) 138 is expected to complete a financing for 10,000,000 shares at $0.30 per share for proceeds of $3,000,000 with associated share issue costs of $210,000 in agent commissions and $10,000 for the fair value of 700,000 broker warrants.

(c) An adjustment of $208,741 has been made to eliminate duplication of costs included in Eagle Royalties which are already reflected in the statement of financial position and statement of comprehensive loss of the Eagle Royalties Business.

(d) Eagle Royalties and 138 per the amalgamation agreement will amalgamate to form Amalco:

- Eagle Royalties shareholders shall receive one Amalco share for each Eagle Royalties share so held; and

- 138 shareholders shall receive one Amalco share for each 138 so held.

Under IFRS 3 Business Combinations, the Amalgamation between Eagle Royalties and 138 is considered to be a business combination achieved without the transfer of consideration. Eagle Royalties is considered the accounting acquirer as its owners as a group receive the largest portion of the voting rights in Amalco.

(Expressed in Canadian dollars)

3. Share capital and per share amounts

Share capital in the unaudited pro forma financial statements is comprised of the following:

Authorized
Unlimited common shares without par value

	Share Capital Number of Shares	Amount
Issued		
On incorporation, January 21, 2022	100	$ 10
Shares issued to Eagle Plains shareholders upon completion of Arrangement	36,821,908	-
Shares issued to Eagle Plains upon completion of Arrangement	5,176,425	103,529
Shares issued to 138 shareholders	5,000,000	100,000
Shares issued to 138 shareholders in concurrent financing	10,000,000	3,000,000
Share issue costs	-	(220,000)
	56,998,433	$2,983,539

4. Income Taxes

No value has been ascribed to any acquired tax loss carry forwards obtained by Eagle Royalties as part of the Arrangement, as Eagle Royalties is an early stage company, and it is not known whether sufficient future taxable profits will be available to utilize these losses prior to expiry.

The effective tax rate applicable to the operations will be 27%.