

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

PROSPECTUS DATED DECEMBER 14, 2023

New Issue

December 14, 2023

## **KOBREA EXPLORATION CORP.**

330 – 890 Pender Street West  
Vancouver, BC V6C 1J9

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### **2,589,496 Common Shares and 2,589,496 Warrants on Exercise of 2,589,496 Outstanding Special Warrants**

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This prospectus (the “**Prospectus**”) qualifies the distribution of 2,589,496 common shares (“**SW Shares**”) and 2,589,496 common share purchase warrants (“**SW Warrants**”) of Kobrea Exploration Corp. (the “**Company**” or “**Kobrea**”) to be distributed, without additional payment, upon the exercise or deemed exercise of 2,589,496 issued and outstanding special warrants (each, a “**Special Warrant**”) of the Company.

**The Special Warrants are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the securities under this Prospectus upon the exercise or deemed exercise of the Special Warrants.**

The Special Warrants were issued by the Company on a private placement basis (the “**Special Warrant Private Placement**”) on July 13, 2023 (the “**Closing Date**”). The Company issued an aggregate of 2,589,496 Special Warrants at a price of \$0.10 per Special Warrant and received gross proceeds of \$258,950 from the sale of the Special Warrants. Each Special Warrant entitles the holder to acquire, without further payment, one unit, each to be composed of one (1) SW Share and one (1) SW Warrant, each SW Warrant exercisable into one common share (a “**Warrant Share**”) of the Company at an exercise price of \$0.20 for three (3) years from the date the Company’s shares commence trading on the Canadian Securities Exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt (the “**Receipt**”) for a final prospectus to qualify the distribution of the SW Shares and SW Warrants is received by the Company from the British Columbia Securities Commission; and (b) five (5) months from the Closing Date. Upon exercise or deemed exercise of the Special Warrants, and without additional payment therefor, the Company will issue 2,589,496 SW Shares and 2,589,496 SW Warrants.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted on any stock exchange or quotation service.

The Company has applied to list its issued and outstanding common shares (the “**Common Shares**”), the SW Shares and Warrant Shares qualified under this Prospectus and all other Common Shares issuable as described in this Prospectus on the Canadian Securities Exchange (the “**Exchange**”). The Exchange has conditionally approved the listing of the Common Shares, but the listing is subject to the Company fulfilling all the listing requirements of the Exchange.

**There is currently no market through which any of the securities being distributed under this Prospectus, may be sold, and purchasers may not be able to resell such securities acquired hereunder. This may affect the pricing of such securities in the secondary market, the transparency and availability of trading prices, the liquidity of such securities and the extent of issuer regulation. See “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements”.**

**An investment in securities of the Company involves a high degree of risk and must be considered speculative due to the nature of the Company’s business and the present stage of exploration of its mineral property. The risks outlined in this Prospectus and in the documents incorporated by reference herein should be carefully reviewed and considered by investors in connection with an investment in the Company’s securities. See “Risk Factors”.**

**No underwriter has been involved in the preparation of the Prospectus or performed any review or independent due diligence of the contents of the Prospectus.**

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

Notwithstanding that this Prospectus is being filed to qualify the distribution of all securities issuable upon the exercise or deemed exercise of the Special Warrants, in the event that a holder of Special Warrants exercises such securities prior to the date that the Receipt is received by the Company, the securities issued upon exercise of such Special Warrants will be subject to statutory hold periods under applicable securities legislation and shall bear such legends as required by applicable securities laws.

Investors should rely only on the information contained in this Prospectus and the documents incorporated by reference herein. The Company has not authorized anyone to provide investors with information different from that contained in this Prospectus. The information contained in this Prospectus is accurate only as of the date of this Prospectus.

The Company's head office and registered office is located at 330 – 890 Pender Street West, Vancouver, BC V6C 1J9.

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## GLOSSARY

The following is a glossary of certain terms used in this Prospectus. Terms and abbreviations used in the financial statements of the Company may be defined separately and the terms defined below may not be used therein.

“**Author**” means Sean Butler, P.Geo., the author of the Technical Report.

“**Board**” means the Board of Directors of the Company.

“**Closing Date**” means July 13, 2023.

“**Common Shares**” means the common shares in the capital of the Company and “**Common Share**” means any one of them.

“**Company**” or “**Kobrea**” means Kobrea Exploration Corp.

“**Escrow Agreement**” means the NP 46-201 escrow agreement dated December 12, 2023 among the Transfer Agent, the Company and various Principals and shareholders of the Company.

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

“**Fifth Private Placement**” means the non-brokered private placement financing by the Company completed on January 31, 2023, consisting of 4,800,000 units of the Company’s securities at a price of \$0.05 per unit, with each unit consisting of one (1) Common Share and one (1) Warrant. Each Warrant entitles the holder to purchase, for a period of thirty-six (36) months from the Listing Date, one additional Common Share at an exercise price of \$0.10 per Common Share.

“**Founders’ Placement**” means, collectively, the non-brokered private placement financing by the Company completed on March 16, 2022 and May 30, 2022 and consisting of an aggregate of 3,000,200 Common Shares at a price of \$0.005 per share for gross proceeds of \$15,001.

“**Fourth Private Placement**” means the non-brokered private placement financing by the Company completed on January 17, 2023, consisting of 2,400,00 units of the Company’s securities at a price of \$0.05 per unit, with each unit consisting of one (1) Common Share and one (1) Warrant. Each Warrant entitles the holder to purchase, for a period of thirty-six (36) months from the Listing Date, one additional Common Share at an exercise price of \$0.10 per Common Share.

“**Listing Date**” means the date on which the Common Shares of the Company are listed for trading on the Exchange.

“**Net Smelter Return**” or “**NSR**” has the meaning ascribed thereto on page 7 of this Prospectus.

“**NI 41-101**” means National Instrument 41-101 *General Prospectus Requirements* of the Canadian Securities Administrators.

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

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

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

“**NP 46-201**” means National Policy 46-201 *Escrow for Initial Public Offerings* of the Canadian Securities Administrators.

“**NP 58-201**” means National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators.

“**Principal**” of an issuer means:



- (a) a person or company who acted as a promoter of the issuer within two years before the prospectus;
- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the prospectus;
- (c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering; or
- (d) a 10% holder – a person or company that:
  - (i) holds securities carrying more than 10% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering, and
  - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries;

“**Private Placements**” means the Founders’ Placement, the Second Private Placement, the Third Private Placement, the Fourth Private Placement, the Fifth Private Placement and the Special Warrant Private Placement, collectively.

“**Property**” or “**Upland Property**” means the eight claims comprising the Upland Property located in south-central British Columbia, Canada, east of the Town of Barriere.

“**Prospectus**” means this final prospectus with respect to the qualification of the distribution of Units.

“**Qualified Person**” means an individual who:

- (a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining;
- (b) has at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice;
- (c) has experience relevant to the subject matter of the Property and of the Technical Report; and
- (d) is in good standing with a professional association and, in the case of a foreign association listed in Appendix A of NI 43-101, has the corresponding designation in Appendix A of NI 43-101.

“**Receipt**” means a receipt for the final Prospectus to qualify the distribution of the Units received by the Company from the British Columbia Securities Commission.

“**Ritchie Transfer**” has the meaning set forth in “*Description of Business*”.

“**Second Private Placement**” means the non-brokered private placement financing by the Company completed on June 10, 2022, and consisting of an aggregate of 750,000 Common Shares at \$0.02 per Common Share issued on a “flow-through” basis.

“**Special Warrant**” means a special warrant issued by the Company entitling the holder the right to acquire, without additional payment, one Unit for each Special Warrant held.

“**Special Warrant Private Placement**” means the private placement closed by the Company on the Closing Date of 2,589,496 Special Warrants at a price of \$0.10 per Special Warrant for total gross proceeds of \$258,950. Each Special Warrant is convertible into a unit composed of one SW Share and one SW Warrant.

“**SW Shares**” means the 2,589,496 Common Shares of the Company to be issued on exercise or deemed exercise of the Special Warrants.

“**SW Warrants**” means the 2,589,496 share purchase warrants to be issued on exercise or deemed exercise of the Special Warrants, each SW Warrant to be exercisable into one Warrant Share at an exercise price of \$0.20 for three (3) years from the Listing Date.

“**Technical Report**” means the report on the Property prepared for the Company by the Author, dated June 13, 2023, prepared in accordance with NI 43-101.

“**Third Private Placement**” means the non-brokered private placement financing by the Company completed on August 15, 2022 and consisting of an aggregate of 5,250,000 Common Shares of the Company’s at a price of \$0.02 per Share with 2,750,000 Common Shares issued on a “flow-through” basis and 2,500,000 Common Shares being “hard-dollar” shares.

“**Transfer Agent**” means Endeavor Trust Corporation, at 777 Hornby St Suite 702, Vancouver, BC V6Z 1S4.

“**Unnamed Claim**” has the meaning set forth in “*Description of Business*”.

“**Vendors**” has the meaning set forth in “*Description of Business*”.

“**Warrant**” means a Common Share purchase warrant.

“**Warrant Share**” means a Common Share into which a Warrant or SW Warrant is exercisable.

## CURRENCY

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to \$ are to Canadian dollars.

Certain totals, subtotals and percentages throughout this Prospectus may not reconcile due to rounding.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements in this Prospectus may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, “forward looking information”) within the meaning of Canadian securities laws. Forward-looking information may relate to this Prospectus, the Company’s future outlook and anticipated events or results and, in some cases, can be identified by terminology such as “may”, “could”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “projects”, “predict”, “potential”, “targeted”, “possible”, “continue” or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to: expectations, strategies and plans, including the Company’s proposed expenditures for exploration work, and general and administrative expenses (see “Property Description and Location” and “Use of Available Funds” for further details); the results of future exploration work and the estimated timelines for same; the timing, receipt and maintenance of approvals, licenses and permits from applicable government, regulator or administrative bodies; expectations generally about the Company’s business plan and its ability to raise further capital for corporate purposes and further exploration; future financial or operating performance and condition of the Company and its business, operations and properties; environmental, health and safety regulations affecting the mineral exploration industry; competitive conditions; expectations respecting executive compensation; involvement and impact of First Nations land claims and NGOs; staffing of exploration activities and access to services and supplies at the Property; capital and operating expenditures; and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable.

Such forward-looking statements are based on a number of material factors and assumptions regarding, among other things: the Company’s ability to carry on exploration and development activities, the availability and final receipt of required approvals, licenses and permits for exploration, the Company’s ability to operate in a safe, efficient and effective manner, the Company’s ability to obtain financing and maintain sufficient working capital to explore and operate, the Company’s access to adequate services and supplies and a qualified workforce as and when required and on reasonable terms, economic conditions and commodity prices. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See “Risk Factors”. Forward-looking statements are based upon management’s beliefs, estimates and

opinions on the date the statements are made and, other than as required by law, the Company does not intend, and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

Upon becoming a reporting issuer, the Company intends to discuss in its quarterly and annual reports referred to as the Company's Management's Discussion & Analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in the Prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

Investors are cautioned against placing undue reliance on forward-looking statements.

## PROSPECTUS SUMMARY

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

**Principal Business of the Company:** The Company is currently engaged in the business of exploration of mineral properties in Canada. The Company holds a 100% interest in the eight mineral claims comprising the Property. The Company's objective is to explore and, if warranted, develop the Property. It is the intention of the Company to remain in the mineral exploration business. Should the Property not be deemed viable, the Company shall explore opportunities to acquire interests in other properties. See "*Description of the Business*".

**Management, Directors & Officers:**

|                  |                                                            |
|------------------|------------------------------------------------------------|
| James Hedalen    | Chief Executive Officer and Director                       |
| Meetul Patel     | Chief Financial Officer, Corporate Secretary, and Director |
| Rory Ritchie     | Director                                                   |
| Ramninder Lidder | Director                                                   |

See "*Directors and Executive Officers*".

**The Property:** The Property is an exploration stage property that consists of eight mineral claims totaling approximately 5,314 hectares. These claims only provide sub-surface mineral rights and do not provide any surface rights. See "*The Upland Property*".

**Special Warrants:** This Prospectus is being filed to qualify the distribution in the Province of British Columbia of 2,589,496 Special Warrants, and the underlying SW Shares and SW Warrants, issuable to the holders of a total of 2,589,496 Special Warrants, upon the exercise of those Special Warrants. All unexercised Special Warrants will automatically convert at 5:00 p.m. on the date that is the earlier of: (a) the third business day after the date on which the Receipt is granted by the British Columbia Securities Commission; and (b) five (5) months from the Closing Date.

The Special Warrants were issued on July 13, 2023 at a price of \$0.10 per Special Warrant and there will be no additional proceeds to the Company from the exercise of the Special Warrants.

**Listing:** The Company intends to apply to have its Common Shares listed on the Exchange. Listing is subject to the Company fulfilling all the requirements of the Exchange, including minimum public distribution requirements. See "*Plan of Distribution*".

**Use of Available Funds:** The Company's estimated working capital as of November 30, 2023, the most recent month end, is approximately \$468,644. The expected principal purposes for which the available funds will be used are described below:

|                                                                                        |                  |
|----------------------------------------------------------------------------------------|------------------|
| To pay for the Phase I exploration program expenditures on the Property <sup>(1)</sup> | \$110,000        |
| Initial Listing Fees <sup>(2)</sup>                                                    | \$60,000         |
| To pay for general and administrative costs for next 12 months                         | \$120,000        |
| Unallocated working capital                                                            | \$178,644        |
| <b>TOTAL:</b>                                                                          | <b>\$468,644</b> |

**Notes:**

1. See “*The Upland Property – Recommendations*”.
2. Including legal, audit, securities commissions, and Exchange fees.

**Summary of Financial Information:**

The following selected financial information has been derived from and is qualified in its entirety by (i) the audited financial statements of the Company for the period commencing March 16, 2022 (incorporation) and ended January 31, 2023 and the notes thereto and (ii) the unaudited financial statements of the Company for the three and six months ended July 31, 2023 included in this Prospectus and should be read in conjunction with those financial statements and related notes thereto, along with the Management’s Discussion and Analysis included in this Prospectus. All financial statements are prepared in accordance with IFRS. The Company’s financial year end is January 31.

|                                                | <b>As at and for the period commencing March 16, 2022 and ended January 31, 2023<br/>(\$)<br/>(audited)</b> | <b>As at and for the six months ended July 31, 2023<br/>(\$)<br/>(unaudited)</b> |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Revenue                                        | Nil                                                                                                         | Nil                                                                              |
| Total Expenses                                 | 183,487                                                                                                     | 35,098                                                                           |
| Net loss and comprehensive loss for the period | 183,487                                                                                                     | 35,098                                                                           |
| Loss per share (basic and diluted)             | (0.03)                                                                                                      | (0.00)                                                                           |
| Current Assets                                 | 367,507                                                                                                     | 555,910                                                                          |
| Total Assets                                   | 367,508                                                                                                     | 555,911                                                                          |
| Current Liabilities                            | 55,995                                                                                                      | 20,550                                                                           |
| Long Term Debt                                 | Nil                                                                                                         | Nil                                                                              |
| Shareholders’ Equity (Deficit)                 | 311,513                                                                                                     | 535,361                                                                          |

See “Management’s Discussion and Analysis”.

**Risk Factors:**

An investment in the securities of the Company should be considered highly speculative and investors may incur a loss on their investment. The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: insufficient capital; limited operating history; lack of operating cash flow; lack of an active market for the Common Shares; the future price of the Common Shares will vary depending on factors unrelated to the Company’s performance or intrinsic fair value; the Company’s ability to discover, market and develop commercial quantities of ore is uncertain; some aspects of the Company’s operations entail risk that cannot be insured against or may not be covered by insurance; the calculation of the economic value of ore is subject to a high degree of variability and uncertainty; if the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Property; risks related to the Company being an early stage Company; the Company operates at a loss and may never generate a profit; the Company operates in a highly competitive environment; the Company operates in a highly regulated environment that is subject to changes, some unforeseen, to government policy; unasserted aboriginal title claims and risks related to First Nations land use; the Company operates in an

environment with significant environmental and safety regulations and risks; regulatory requirements; the impact of non-governmental organizations, public interest groups and reporting organizations on the Company's operations and on mining exploration as a whole; volatility of mineral prices; some of the Company's directors have involvement in other companies in the same sector; and price volatility of publicly traded securities. See the section entitled "*Risk Factors*" for details of these and other risks relating to the Company's business.

## CORPORATE STRUCTURE

### Name and Incorporation

Kobrea Exploration Corp. was incorporated under the *Business Corporations Act* (British Columbia) on March 16, 2022. The Company's head office and registered office is located at 330 – 890 Pender Street West, Vancouver, BC V6C 1J9.

### Inter-corporate Relationships

The Company has no subsidiaries.

## DESCRIPTION OF THE BUSINESS

The Company is engaged in the business of mineral exploration in Canada and its objective is to explore and, if warranted, develop the Property. It is the intention of the Company to remain in the mineral exploration business. Should the Property not be deemed viable, the Company shall explore opportunities to acquire interests in other properties.

The Company holds a 100% interest in the eight mining claims totaling approximately 5,314 hectares comprising the Property. 7 of the mining claims comprising the property were staked by Rory Ritchie on behalf of the Company. The remaining claim (the "**Unnamed Claim**") was purchased by Mr. Ritchie from its previous owners (the "**Vendors**") for \$8,000. All 8 mineral claims were transferred from Mr. Ritchie to the Company for the total consideration of \$1 (the "**Ritchie Transfer**"). The Ritchie Transfer is considered a related party agreement under International Accounting Standards 24.

The Company's interest in the Property is subject to a 2% net smelter royalty (the "**NSR**" or "**Net Smelter Royalty**") on the Unnamed Claim in favor of the Vendors. The NSR can be acquired for a payment at any time of \$2,000,000 to the Vendors.

See "*Upland Property*".

### Stated Business Objectives

The Property is in the exploration stage. The Company intends to use its available funds to carry out the Phase One exploration program for the Property, which is budgeted for \$110,000. See "*The Upland Property - Recommendations*" and "*Use of Proceeds*".

The exploration, and if warranted, development of the Property may depend on specialized skills and knowledge possessed by directors and officers of the Company that are applicable to the mining industry. The Company's leadership team is composed of the following: (i) James Hedalen – Chief Executive Officer and a Director; (ii) Rory Ritchie – a Director; (iii) Meetul Patel – Chief Financial Officer, Corporate Secretary and a Director; and (iv) Ramninder Lidder – a Director.

The mineral exploration and development industry is very competitive.

As an emerging issuer, the Company is subject to numerous competitive conditions such as need for additional capital and the commercial viability of the Property.

### History

Following incorporation, the Company was capitalized by completing the following private placements:

1. a private placement completed on March 16, 2022 of \$1 through the issuance of 200 Common Shares;
2. a private placement completed on May 30, 2022 of \$15,000 through the issuance of 3,000,000 Common Shares;
3. a private placement completed on June 10, 2022 of \$15,000 through the issuance of 750,000 flow-through Common Shares;
4. a private placement completed on August 15, 2022 of \$105,000 through the issuance of 2,750,000 flow-through Common Shares and 2,500,000 Common Shares;
5. a private placement completed on January 17, 2023 of \$120,000 through the issuance of 2,400,000 units of the Company, with each unit comprised of one (1) Common Share and one (1) Common Share purchase warrant, with each warrant exercisable into one (1) Common Share for the price of \$0.10 for a period of thirty-six (36) months from the Listing Date; and
6. a private placement completed on January 31, 2023 of \$240,000 through the issuance of 4,800,000 units of the Company, with each unit comprised of one (1) Common Share and one (1) Common Share purchase warrant, with each warrant exercisable into one (1) Common Share for the price of \$0.10 for a period of thirty-six (36) months from the Listing Date.

To date, funds raised from these private placements have been used towards the acquisition of an interest in the Property, exploration work undertaken by the Company at the Property, filing fees, professional expenses, regulatory expenses and for general working capital.

The Company has also completed the following exploration activities on the Property (see “*The Upland Property – Exploration*”):

1. in Summer 2022, the Company completed a LIDAR study and photography on the Property; and
2. in Fall 2022, the Company completed an airborne magnetic study on the Property.

## **Trends**

There are significant uncertainties regarding the prices of minerals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the price of gold, silver and other minerals has fluctuated widely in recent years and these fluctuations are expected to continue. Apart from this risk, and the risk factors noted under the heading “*Risk Factors*” we are not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on our business, financial condition or results of operations.

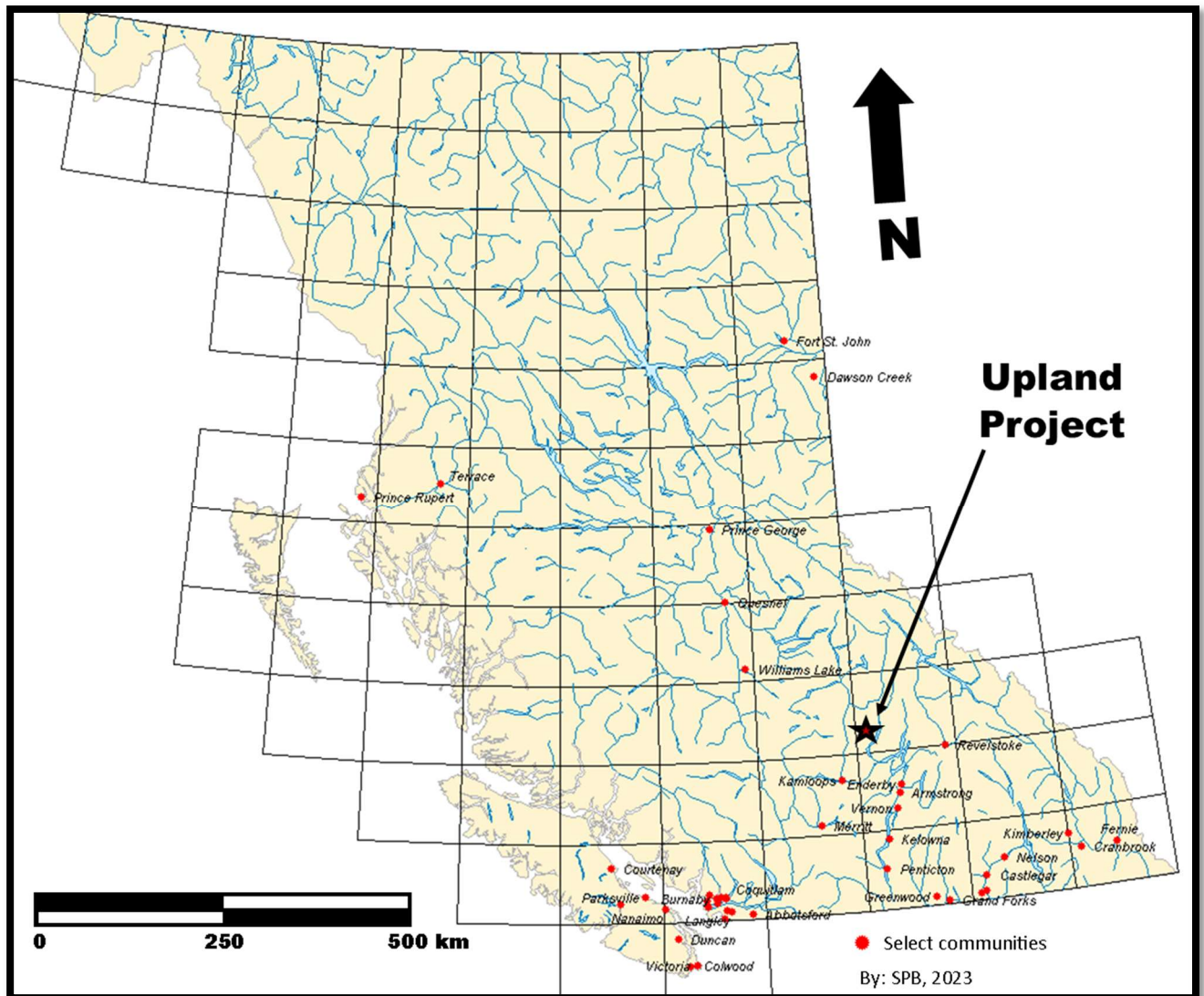
## THE UPLAND PROPERTY

The technical information in this Prospectus with respect to the Property is derived from the Technical Report, dated effective June 13, 2023, prepared for the Company in accordance with NI 43-101 by the Author. The Author is an independent Qualified Person for the purposes of NI 43-101. The full text of the Technical Report is available for review at the registered office of the Company at 330-890 Pender Street, West, Vancouver, BC, V6C 1J9 and is available online under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### Property Description and Location

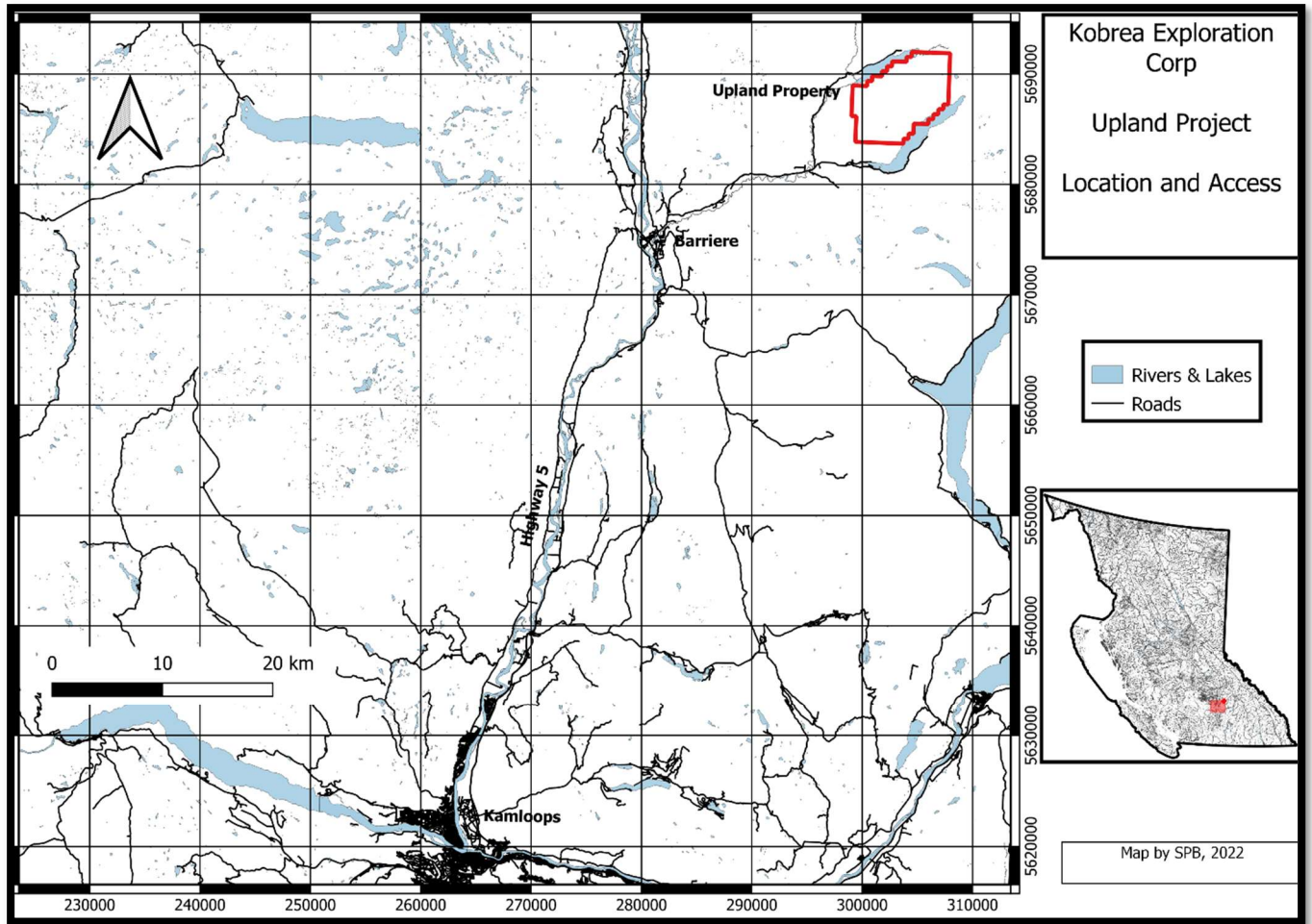
#### Location

The Upland property is located in south-central British Columbia, Canada, east of the Town of Barriere. The area is an upland plateau region between North Barriere Lake and East Barriere Lake.



**Figure 1 Location in British Columbia, Canada**

The centre of the Upland property is near the latitude 51° 18' and longitude 119° 50' and also near the coordinates 303,400 E 5,688,200 N in the UTM NAD83-Zone 11N datum. BC Government TRIM Map-sheets (1:20,000) including 082M.021, 082M.022, 082M.031 and 082M.032 underly the Upland property. The 1:50,000 NTS Map-sheet 82M05 covers the area of the Upland property.



**Figure 2 Location with Access Roads and nearby Communities**

Property Description

The Upland property consists of eight Mineral Claims issued by the Province of British Columbia named MOORE 1 to 7 and an unnamed claim. The claims are contiguous and cover a total of 5,314 hectares. These claims only provide sub-surface mineral rights and do not provide any surface rights. Although the Mineral Claims do not confer surface rights to the holder, a Mining Lease with the Province of British Columbia can be negotiated during the mine permitting stage if sufficient mineral resources are discovered and the surface area is required for the operation of a mine.

On February 13, 2023 the Author searched on the BC Government website BC MTOonline and located the claim ownership details outlined in Table 1. The Author has not verified the ownership of the Upland property claims beyond the data available on the BC MTOonline website.



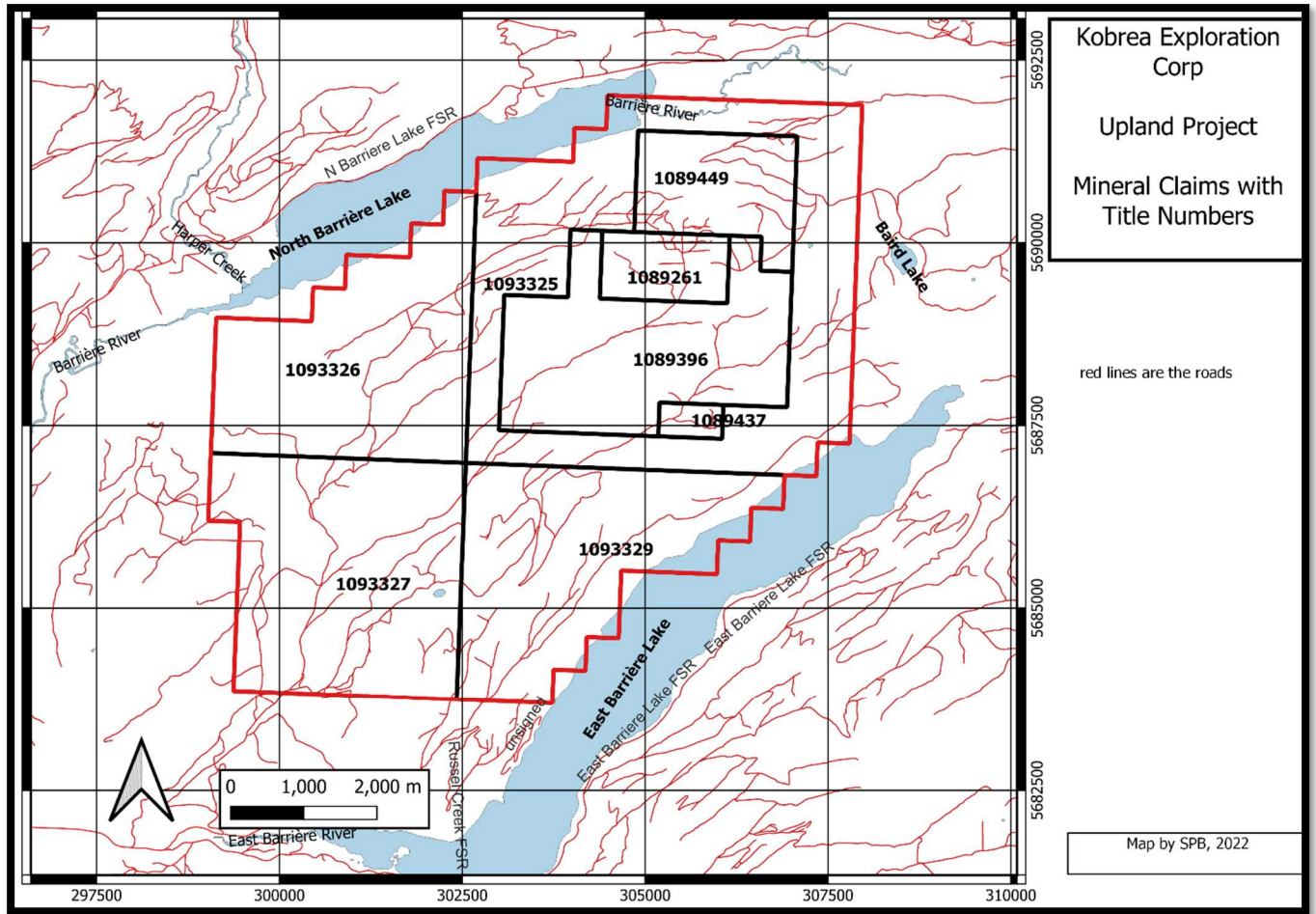


Figure 3 Upland Property Claim Map

| Title Number      | Claim Name | Area (hectares) | Record Date     | Expiry Date | Registered Owner                |
|-------------------|------------|-----------------|-----------------|-------------|---------------------------------|
| 1089261           | MOORE 1    | 161.60          | 2022/JAN/20     | 2026/JAN/16 | <b>Kobrea Exploration Corp.</b> |
| 1089396           | MOORE 2    | 747.56          | 2022/JAN/20     | 2026/JAN/16 |                                 |
| 1089437           | MOORE 3    | 40.42           | 2022/JAN/20     | 2026/JAN/16 |                                 |
| 1089449           |            | 323.11          | 2022/JAN/20     | 2026/JAN/16 |                                 |
| 1093325           | MOORE 4    | 1,232.22        | 2022/FEB/16     | 2026/JAN/16 |                                 |
| 1093326           | MOORE 5    | 889.03          | 2022/FEB/16     | 2025/JAN/16 |                                 |
| 1093327           | MOORE 6    | 1,031.05        | 2022/FEB/16     | 2025/JAN/16 |                                 |
| 1093329           | MOORE 7    | 889.49          | 2022/FEB/16     | 2025/JAN/16 |                                 |
| <b>Total Area</b> |            | <b>5,314.48</b> | <b>hectares</b> |             |                                 |

Table 1 Mineral Title search results

The 2022 airborne magnetic survey and the 2022 LIDAR program have extended the expiry dates to those noted in Table 1.

Multiple local First Nations have rights to the land under the Upland property. These rights are managed by the province, but will have an effect on the rights of the claim holders and require input and discussions with various nations by the property owners.

Some private land is noted within the Upland property. The property status and owners were not reviewed by the report Author. Access to private property for mineral exploration can be done with a process after notifying the property owner.

There are no known National or Provincial Parks or First Nations Indian Reserves near the Upland property.

### Agreements

The Moore claims that comprise the Upland property were located on January 20 and February 16, 2022 by Rory Ritchie with the exception of the unnamed title 1089449 which was located by Steven Scott on January 20, 2022. There is an agreement between Ritchie and Scott along with Glen Prior, for the unnamed claim (1089449). The transfer was executed on payment of \$8,000. Scott and Prior continue to hold a 2% NSR on the unnamed claim #1089449. The royalty can be acquired for a payment at any time of \$2,000,000 to the vendors, Scott and Prior. There are no royalties on the claims located by Ritchie (personal communication with Rory Ritchie).

Title of the claims were transferred from Ritchie to Kobrea on June 20, 2022 according to documents on BC MTOonline.

### Mineral Title Maintenance Requirements

In British Columbia mineral claim title is maintained by the dollar value of completed valid mineral exploration on the claims as reported in an Assessment Report. Exploration work reported in such reports become part of the public record for future use by all. Historical Assessment Reports were accessed by the Author in the writing of this report. The current Assessment Work (annual exploration work cost) requirements to maintain mineral title holdings in British Columbia are reflected below:

- \$5.00 per hectare for anniversary years 1 and 2;
- \$10.00 per hectare for anniversary years 3 and 4;
- \$15.00 per hectare for anniversary years 5 and 6; and
- \$20.00 per hectare for subsequent anniversary years
- Work can only be filed up to a maximum of ten years title maintenance into the future

The Cash cost of exploration at the Upland property required to maintain title is \$26,570 for each of year one and two (to 2024 and 2025) and \$53,140 for each of years three and four (to 2026 and 2027). Years five and six will each require \$79,717 and all following years will require \$106,290 per year of exploration work to maintain title.

Claims can be amended to add or drop claim cells to change the total property area and thus changing the annual assessment work costs. The Payment Instead of Exploration and Development work (“PIED”) rate has been set at double the value of the corresponding Assessment Work requirement as an alternative title maintenance option. PIED is a direct cash payment to the Government of British Columbia.

To do any exploration that involves disturbance to the surface or cutting of merchantable timber, a permit is required. A Notice of Work (“NOW”) application must be submitted to the British Columbia Ministry of Energy, Mines and Low Carbon Innovation, the ministry responsible for Core Review to have the permits issued. All NOW Applications are available exclusively through FrontCounter BC’s e-Application System. Any planned surface disturbance will also involve a Consultation by the company with the local First Nations group(s) who claim an interest in the claim area before the permits are released.

### Environmental Liabilities

There are no environmental liabilities known to the Author.

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

### Accessibility

The Town of Barriere, on BC Highway 5, is about 30 kilometres to the west-southwest of the Upland property. There are paved roads out towards the Upland property for about 20 kilometres to the split in the roads for North Barriere and East Barriere Lakes. From the end of pavement, the roads vary from well-maintained gravel roads to unpaved logging roads and overgrown access trails on the Upland. See Figure 1 for a map with roads and communities and Figure 11 for the network of roads and trails on the Upland property.

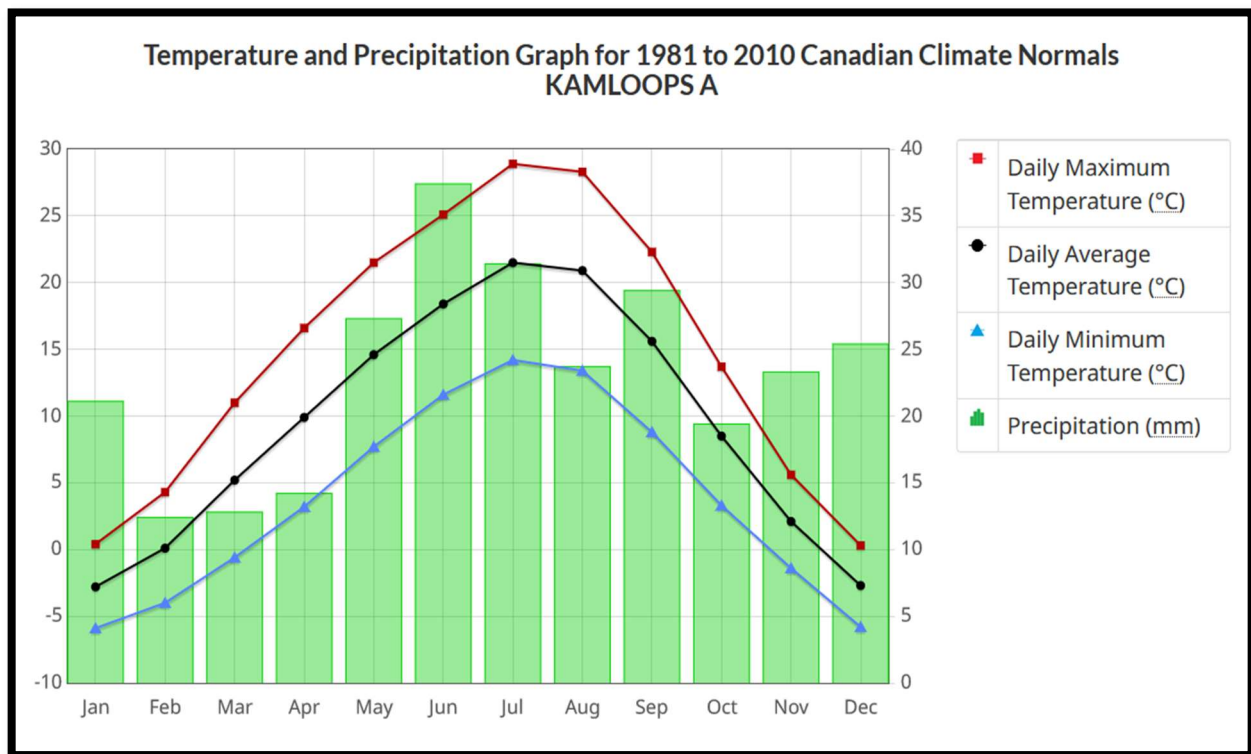
There is a long history of logging on the Property and this has left a large network of trails and roads, including active logging and road maintenance occurring in 2022 (Figure 11). Much of the property is flat to gentle dipping and easily accessed. The areas near the large lakes are steeper and switchback trails and roads are required in these areas.

### Climate

The nearest location found by the Author for historical climate average data is Kamloops, BC, (Figure 4). The Upland property is at a higher elevation and slightly north of Kamloops and therefore the averages on the property are likely a bit cooler and damper.

The average temperatures in the summer months of July and August can be up to about 30°C and will average below 0°C in the winter months from December to February. Summer has similar or more precipitation to the winter, due to the mountain shadow effect from the coastal storms of the winter. There will be snow on the ground at the Upland property in the winter.

Exploration work can be maintained year-round although the adaptations of snow plowing roads and heating water lines are necessary in the winter. Mining can operate year-round.



**Figure 4 Historical Climate Averages for Kamloops, BC**

## Local Resources

The Town of Barriere is about 30 kilometres away and has many of the services required for an exploration program including fuel, food, accommodation, personnel, heavy equipment and related services. The City of Kamloops, with about 100,000 residents, is less than an hour drive down the highway from Barriere and is a full-service mining and mineral exploration centre with highway and rail access throughout North America and daily scheduled air service to Vancouver and Calgary (See Figure 2).

There is enough flat and gently sloping land for future potential mining operations including tailings storage and mine operations. The town of Barriere is within commuting distance for future potential staffing accommodation and mine supply support.

There is plenty of water on the Upland property in creeks and the lakes of the region. Some areas on the top of the plateau may require longer hose lines or trucking of water for drilling.

## Infrastructure

The Town of Barriere is on Highway 5 (the Southern Yellowhead) and on the Canadian National Rail mainline. Barriere also has high voltage electrical power lines. The local area to beyond the end of the paved road leading to the Upland property from Barriere has lower voltage existing grid electrical and data services.

There is enough area within the Upland property to develop mine facilities for future mining operations.

## Physiography

The topography of the Upland property is mainly on the top of a plateau, but extends down to the surface of North Barriere and East Barriere Lakes. Elevations vary from about 1,330 metres above sea level (“MASL”) on a ridge just west of the centre of the Upland property. The elevation of North Barriere Lake is about 630 MASL with a very similar elevation at East Barriere Lake. The centre of the property is gently dipping but the valley sides near the two large lakes are steeper.

There are few creeks on the ridge top. Parts of the property were logged in the 1960s, 1980s, 1990s and having restarted recently it continues to be logged with a large clear-cut witnessed on the site visit which had not been fully cleared or replanted yet.

The vegetation is largely second and third growth trees mainly pine, spruce, fir and hemlock. The old roads are often overgrown with alder, birch and aspen and similar deciduous species. There are also limited areas of old growth cedar, fir and hemlock noted in historical reports.

## History

General locations/boundaries of most historical exploration programs can be located on Figure 6. Historical drill data along with select intercepts are noted in Figure 15 and Table 2. A compilation of copper in soil programs along with the boundary of the 1970 magnetic survey is summarized in Figure 5.

Historical pits and adits from the earliest part of the 20<sup>th</sup> century are noted in Vollo, 1970. The core property, which occurs in the east-centre and north of the present Upland property, was discovered in the early to mid-1960's when mineralized float was traced from East Barriere Lake by George and Tom Moore. Moore, 1966 notes five holes drilled in 1965 at the RUTH showing near East Barriere Lake (Figure 11). They optioned the property to Scurry Rainbow Oil in 1966 that established an 80-kilometre-long grid and partially covered it with magnetic and electro-magnetic surveys. Scurry Rainbow drilled five short holes in 1966 according to Vollo, 1970. The Author is not sure if these are possibly the same holes as reported by Moore in 1966. Gourlay and the Moore brothers re-staked the property and drilled five short pack-sac drill holes in 1968 (Vollo, 1969 with the drill logs on file). No assays are noted in the drill logs and the now overgrown and lost grid locations that are noted in the report are not by attributes that can be defined now.

The property was later optioned to Royal Canadian Ventures Ltd. who completed 48 kilometres of magnetic and soil geochemical surveys in 1969 (Vollo, 1969). The soil geochemical survey revealed a large copper anomaly, with correlating silver values and an adjacent zinc anomaly. The anomaly suggested the causative source to be striking north-westerly. A further ground magnetic survey (Vollo, 1970) was also carried out and it showed a north-north-westerly trend with a magnetic high correlating with outcrops of pyrrhotite-magnetite-chalcopyrite zones in an amphibolite with skarn alteration.

During 1970, Royal Canadian Ventures carried out an induced polarization (“IP”)/Resistivity survey (Baird, 1970) along 41.6 km of line with data presented as pseudo-sections. The 1970 report was summarized in plan on Figure 5, where a large significant IP anomaly was outlined. Later that year additional soil sampling, and geological mapping (Thompson, 1970) along with ground magnetics were carried out as well as percussion drilling, which returned several significant intersections of copper mineralization.

In 1971 and 1972, Noranda Exploration carried out a soil sampling and ground magnetic survey with emphasis on the northern part of the present Upland property including the steep slope down toward North Barriere Lake. A significant copper anomaly was outlined containing anomalous values in zinc as well. Craigmont Mines (Hallos and Smith, 1971) later conducted an IP survey which revealed an anomalous area of 1,220 metres long by 122 metres wide.

In 1971 Ducanex (Price, 1971) carried out a soil geochemical survey on the west side of the present Upland property next to North Barriere Lake.

In 1973, an airborne magnetic and electromagnetic survey was carried out over the property and further south. It revealed four anomalies of which three are on the present Upland property (Misener and Mullan, 1974).

In 1976, Kennco Explorations (Gower and Stevenson, 1976) carried out a limited soil sample survey in an area of skarn mineralization.

In 1978, Esso Minerals (Stewart, 1979) conducted electromagnetic, magnetic, and soil surveys and then drilled one diamond drill hole in the north-central part of the present Upland, above North Barriere Lake.

In 1978 Cyprus Anvil Mining located claims in the far northwest corner of the present Upland property and across the lake outside the present claims. A stream sediment survey was completed in the area, Hall, 1978. In 1980 further work was completed including soil geochemistry, geological mapping along with HLEM and ground magnetic geophysical surveys.

In the years 1981 to 1986, K.E. Northcote did thin section work and re-examined some of the drill core on the EBL - REM claims for George Moore. He later supervised a hand-trenching, blasting, and sampling program along newly-constructed logging roads as well as carried out limited VLF-EM and ground magnetic and soil sampling surveys.

In 1984, Noranda Exploration completed two NQ sized diamond drill holes totalling 132.2 metres (Wilson, 1984) intercepting minor sulphide minerals on the CAD claim group.

Also, in late 1984 Titan Resources completed a geochemical and geological survey in the southwest corner of the present Upland property and across East Barriere Lake.

In 1985, on the west-central area of the present property, west of the Titan Resources project, Taywin Resources completed a geological and geochemical program after establishing a grid on the RUSS 300 claim (Blanchflower, 1985a and 1985b). Trenching was also completed. Results were limited but hinted at a north-south trend to the data.



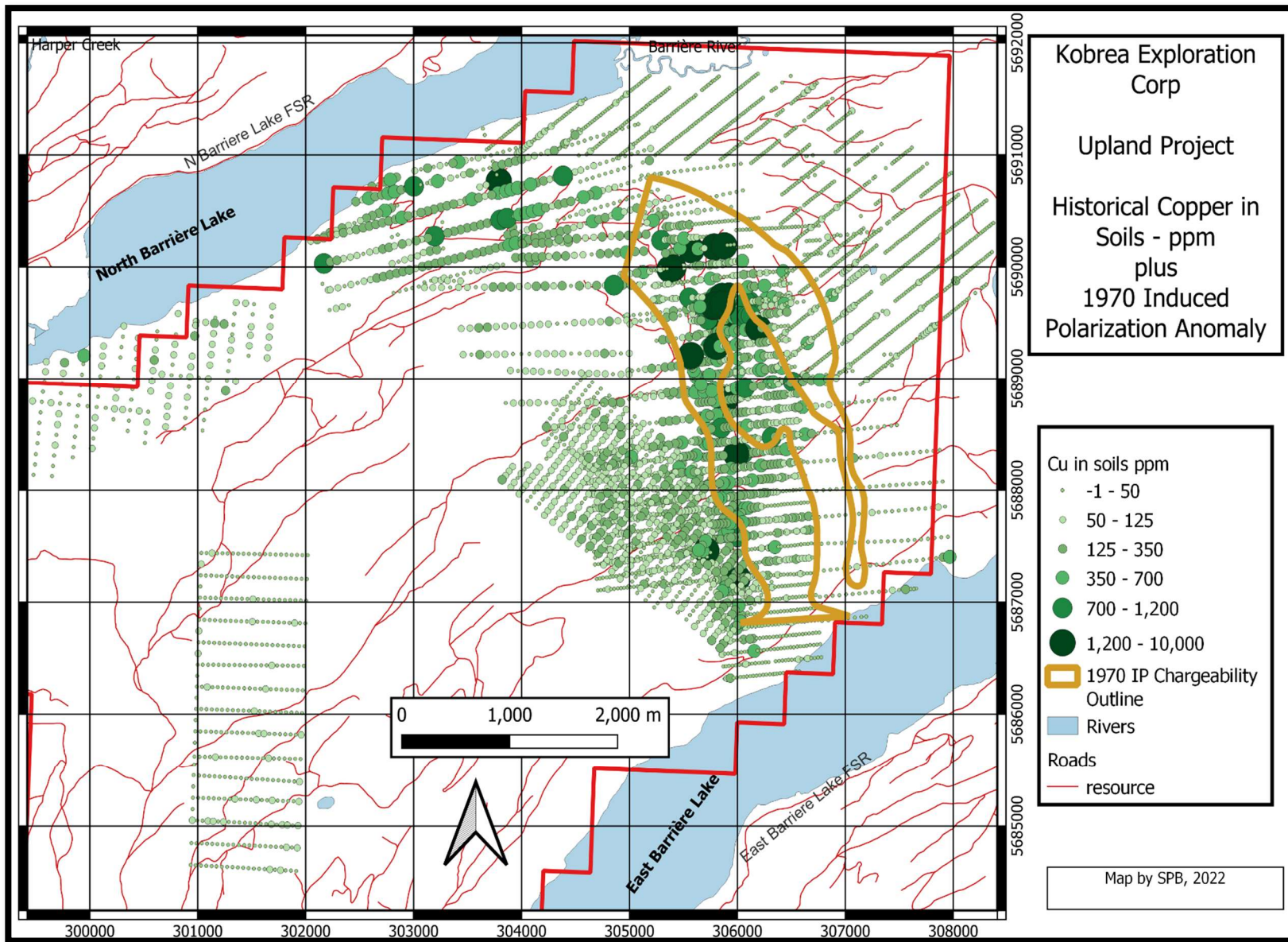
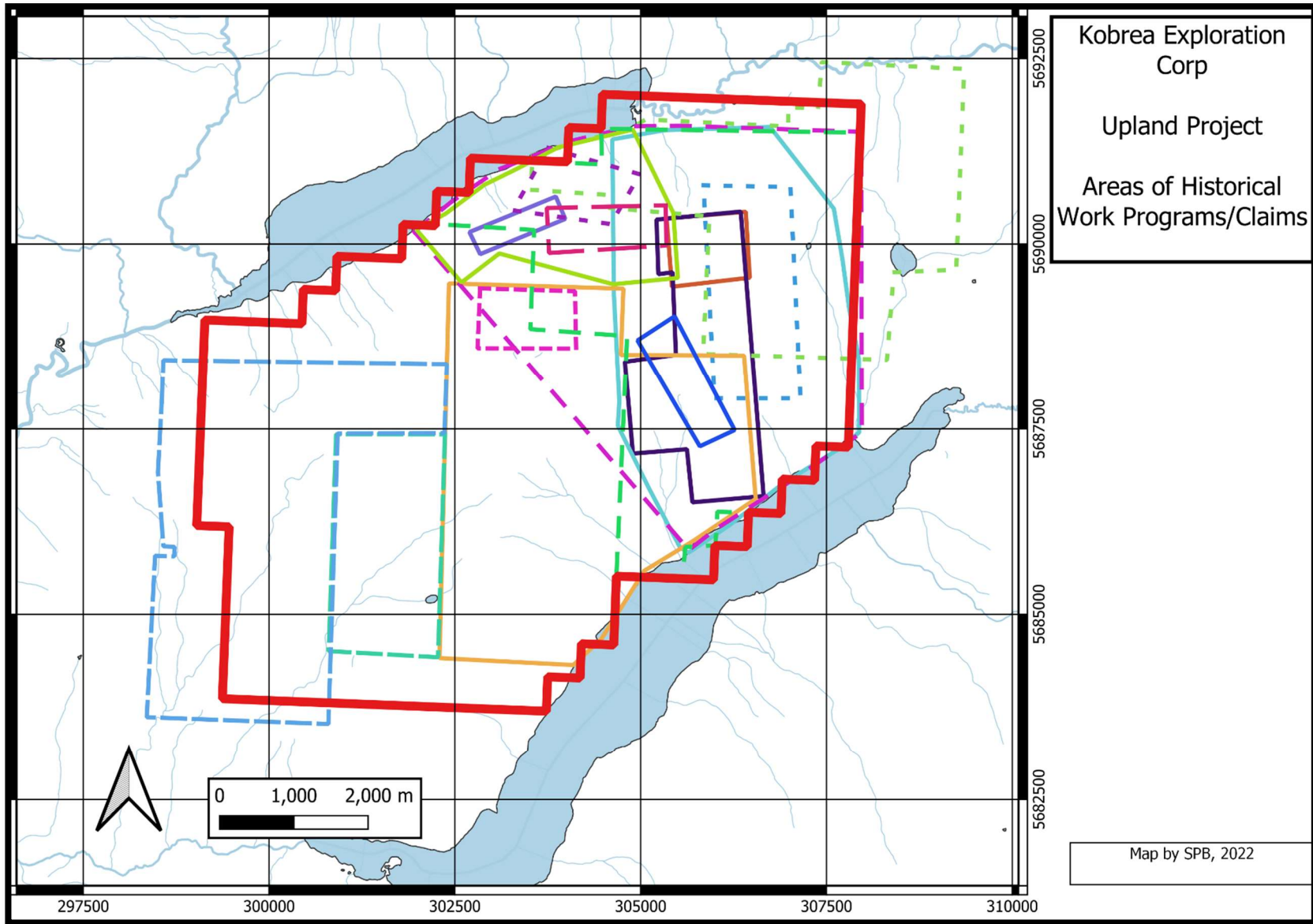


















Figure 5 Historical Copper in soil compilation with 1970 Induced Polarization Chargeability Outline



**Figure 6 Approximate Boundaries of Historical Claims and Work Programs**

## Legend of Approximate Claim and Work Program Boundaires

-  Upland Property Outline
-  Lake
- Streams and Rivers
  -  streams
  -  rivers
- historical program areas at Upland approximate boundaries
  -  Agate Bay Resources, Walker, 1994, later ARI Capital, Fox, 2001
  -  Almo Capital 2006 to 2020, Vallabh, 2009a, 2009b, 2010a, 2010b
  -  Almo Capital Vallabh, 2001
  -  Craigmont Mines Limited, Hallof and Smith., 1972
  -  Esso Resources Canada Limited, Stewart, 1979
  -  Kennco Explorations (Western) Limited, Gower and Stevenson, 1976
  -  Larry Ovington, Moraal, 1986
  -  Moore and multiple other operators EBL, REM, BRAD, B&B
  -  Moore, Northcote, 1981 to 1986
  -  Noranda Exploration Company, Brynelsen, et al., 1971
  -  Noranda Exploration Company, Wilson 1984, Shevchenko, 1987 on CAD claims later Merritech Development, Blanchflower, 1987
  -  Rea Gold Corportion, Goodall, 1991, Topham, 1991
  -  Royal Canadian Ventures Ltd, Baird, 1970;  
Thompson, 1970
  -  Royal Canadian Ventures Ltd, Vollo, 1970
  -  Taywin, Blanchflower, 1985a, 1985b
  -  Titan Resources Ltd & Runaway Resources Ltd ADON Claims, Leishman and Dawson, 1984, Yeager et al., 1986,  
Caulfield and Ikona, 1987, White, 1987a and 1987b

**Figure 7 Legend for Historical Claims and Work Programs**



In 1985, (Shevchenko, 1986) Noranda drilled two NQ sized holes totalling 184.7 metres targeting a soil geochemical target on the CAD claim group. Minor sphalerite and galena were found in the holes, but the soil geochemical anomaly is unanswered.

Also, in 1985 just to east of the Taywin work on the ADON property (Yeager, et. al., 1986) soil geochemistry, electromagnetic and ground magnetic surveys were completed. The results were noted to be encouraging on the Upland property and further work was recommended. Some of the work extended south of the present property across East Barriere Lake.

In 1986, a small VLF-EM survey on the GEM claims at the top of the ridge in the centre of the present Upland was completed with negligible results (Moraal, 1986).

Also, in 1986 a program on the ADON property (Caulfield and Ikona, 1987) straddled both sides of East Barriere Lake. Soil geochemistry returned generally low values on the Upland property side. VLF-EM and ground magnetics were completed as well with low values.

In the winter of 1987, (Blanchflower, 1987) work was completed on the Russel Creek property (aka CAD), on the western-side of the present Upland property, where Noranda had drilled the two 1985 holes. The program included three diamond drill holes totalling 394.1 metres. Low grade litho-geochemical results were returned.

In 1987, Runaway Resources (White, 1987a and 1987b) completed a geophysical and geochemical survey of the ADON claim group. The work focused near the south-east end of the present Upland property. Six anomalies were identified and recommended for follow up.

In 1987 it is noted that Ram Vallabh acquired the claims that were the core of the EBL property and were renamed the Moore claims. These claims were later rolled into Almo Capital Corp. along with surrounding claims.

In 1990, Rea Gold Corp completed a soil geochemistry study on the McLellan property on a grid in the northeast corner of the present Upland property and beyond. This was a follow-up to a discovery of massive-sulphides in 1989 during road construction east of the EBL property. Later in 1990, (Goodall, 1991) Rea Gold followed up with a trenching program to trace the mineralization in the road construction discovery and soil geochemistry. Five trenches, totalling 413 metres in length, were excavated, sampled and backfilled. This is an area the Author visited on June 22, 2022. A narrow, massive-sulphide horizon was correlated in three trenches.

In 1992, a small program on the CAD and related claims in the west-centre of the present Upland property was completed (Fox, 1993). It was a program of five rock samples and geological mapping with limited results.

Walker, 1994 documents a study of an area of the north-centre of the present property. Further massive-sulphides were uncovered as float in road construction in 1992 and a small field program in 1993 was completed including ground magnetics hinting at fault ground controls, EM geophysics, geological mapping and 26 soil samples. No outcrop was found and the results were inconclusive.

In 2000, (Fox, 2001) a two-day property visit was completed and a summary of previous work was completed on the property worked by Walker, 1994. No new insights are noted.

A program of soil sampling and geological mapping was conducted in 2001 (Bridge, 2001) on the Moore claims for Ram Vallabh, in the eastern side of the present Upland property. A sample from a mineralized outcrop returned 0.472% copper. This sample was of quartz veins with oxidized chalcopyrite and pyrite mineralization.

In 2006 Almo Capital Corp conducted a geophysical survey over the same Moore claims worked by Bridge in 2001, in the eastern end of the present Upland property. This work is summarized in Mark, 2007 and includes induced polarization (“IP”) and resistivity surveys done in June and July, 2006 over a gridded area within the Moore Property. The work also included road clearing and line cutting. The main purpose of geophysical surveys was to determine the response to known mineralization and then to explore for extensions of the known mineralization as well as to locate new zones. A secondary purpose was to aid in the geological mapping for which the resistivity surveys are especially useful. The results were plotted both in pseudo-section, and contoured plans. Two different 2-D inversion interpretations were also carried out along each of the IP lines. A summary map of results was drawn. The report included a recommendation of a total of 32 diamond drill holes.

In the first drilling program by Almo Capital in 2008, the property was drilled in the areas of the IP anomalies on the Moore Property found in the 2006 IP survey (Mark, 2007) to determine the depth of the mineralization of copper, gold, silver, lead and zinc. In 2008 Almo Capital Corp. drilled nine diamond drill holes (Vallabh, 2009a and 2009b). Three of the nine diamond drill holes drilled, DDH-08-04, DDH-08-06 and DDH-08-05 were sampled. The 2008 to 2010 drill holes were largely setup where Mark, 2007 had suggested holes.

In 2009: Almo Capital Corp. drilled eight diamond drill holes. All the drill holes were logged, sampled and analysed.

In 2010: Almo Capital Corp. drilled sixteen diamond drill holes on the Moore claims. The drilling showed disseminated mineralization and veinlets with chalcopyrite.

Details of the historical drilling are summarized in Table 2 and Figure 15 including copper grade-length summaries.

There have been no mineral resource estimates, mineral reserves or mineral production on the property.

### Geological Setting and Mineralisation

#### Regional Geology

The Barriere-Adams Plateau area of south-central BC lies along the contact between the Shuswap Metamorphic complex to the east and the Intermontane Belt to the west. The major units underlying the Upland property are the various subdivisions of the Early Cambrian to Late Mississippian aged, Eagle Bay Assemblage and the mid-Cretaceous, Baldy intrusive batholith and related units. The Eagle Bay Assemblage has been assigned to the basal strata Terrane of the North American continent in recent work and Kootenay Terrane in historical work. There are also minor Tertiary-age dykes within the property. In the region, but not on the Upland property, are the Mississippian Fennel Formation, which has been thrust over the Eagle Bay Formation by the west-dipping Barriere River thrust fault to the west. The Eocene Kamloops Group rocks occur to the south of the Upland property and consist of sedimentary rocks of the Chu Chua Formation overlain by the andestic volcanics of the Skull Hill Formation.

The regional and local geology has been mapped by Okulitch, 1979 of the Geological Survey of Canada and Schiarizza and Preto, 1987 for the BC Geological Survey. Preto and Schiarizza had been doing field work in the region since the late 1970s. An electronic update of the geology of the region was completed as part of an electronic re-evaluation and provincial update by Schiarizza and Church, 1996, bringing in new abbreviations for the map units. Logan and Mann, 2000 further updated the regional data peripheral to the Baldy Batholith. The unit names/abbreviations were changed once again in a province wide standardization program released in 2005 as a provincial electronic map update (Massey, et. al., 2005). The work by Schiarizza and Preto, 1987 is largely the basis for the maps local to Upland, but updates and revisions have been made as more details, in particular the mineral deposit definition of the disseminated volcanic deposits of Harper Creek located about 23 kilometres to the north of the Upland property, on the other side of the Baldy Batholith was incorporated in to the regional geological story.

The summary of the map region as noted in the definitive geological study of the area by Schiarizza and Preto, 1987 is:

*“The map area covers a belt of structurally complex low grade metamorphic rocks which lies along the western margin of the Omineca Belt; it is flanked by high-grade metamorphic rocks of the Shuswap Complex to the east and by rocks of the Intermontane Belt to the west. The area is underlain mainly by Paleozoic metasedimentary and metavolcanic rocks of the Eagle Bay Assemblage and Fennell Formation. Late Devonian granitic orthogneiss locally intrudes Eagle Bay rocks. The Paleozoic rocks are cut by mid-Cretaceous granodiorite and quartz monzonite of the Raft and Baldy batholiths, and by Early Tertiary quartz feldspar porphyry, basalt and lamprophyre dykes. They are locally overlain by Eocene sedimentary and volcanic rocks of the Kamloops Group and by Miocene plateau lavas.”*

Schiarizza and Preto, 1987 summarized the regional Eagle Bay Assemblage as:

*“Rocks assigned to the Eagle Bay Assemblage range in age from Early Cambrian to Late Mississippian. They are in part correlative with Paleozoic successions in the Kootenay Arc and the Barkerville-Cariboo River area. The oldest Eagle Bay rocks comprise quartzites and quartzose schists overlain by a unit of predominantly mafic metavolcanic rocks and limestone which, at one locality, contains Lower Cambrian archaeocyathids. An undated package of grit, phyllite, carbonate and metavolcanic rocks overlies the Early Cambrian succession. It is locally overlain by calcareous phyllite and associated calc-silicate schist and skarn or by mafic meta-volcanic rocks. The upper part of the Eagle Bay Assemblage comprises a Devono-Mississippian succession consisting of felsic*

metavolcanic rocks overlain by intermediate, locally alkalalic, metavolcanics and fine to coarse-grained clastic metasediments. These Devonian-Mississippian rocks may be separated from older portions of the Eagle Bay Assemblage by a significant unconformity. Late Devonian orthogneiss which intrudes Eagle Bay rocks is probably related to the felsic metavolcanics.”

The Fennel Formation, which is located to the west and north of the Upland property is summarized by Schiarizza and Preto, 1987 as:

“The Fennel Formation comprises imbricated oceanic rocks of Slide Mountain terrane which were tectonically emplaced onto Mississippian elastic rocks of the Eagle Bay Assemblage prior to syn-metamorphic southwesterly directed folding and thrusting. The formation comprises two major divisions. The lower structural division is a heterogeneous assemblage of bedded then, gabbro, diabase, pillowed basalt, sandstone, quartz-feldspar-porphyry rhyolite and intraformational conglomerate. ... The upper division consists almost entirely of pillowed and massive basalt, together with minor amounts of bedded chert and gabbro.”

The regional structure is summarized in Schiarizza and Preto, 1987 as:

“The associated synmetamorphic schistosity is the dominant mesoscopic fabric within the area these early structures are cut by post metamorphic northwest-trending mesoscopic folds with associated steeply dipping crenulation cleavage and axial crenulation lineation, and by later west-trending macroscopic and mesoscopic folds which are synchronous with intrusion of the mid-Cretaceous Raft and Baldy batholiths. The youngest structures recognized are northeast-trending strike-slip faults and later northerly trending faults and associated folds which are Eocene in age.”

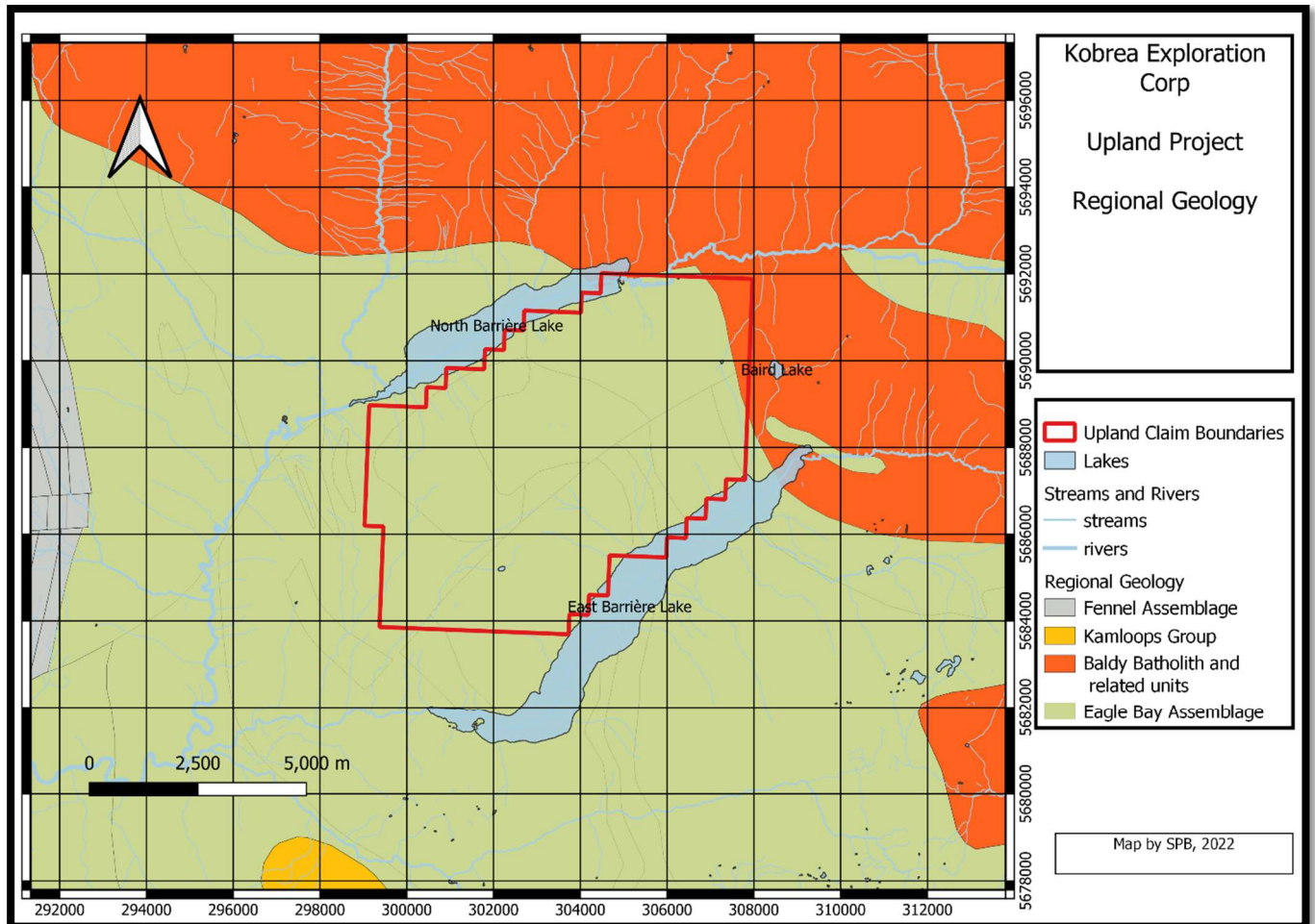


Figure 8 Regional Geology

Figure 8 shows the distribution of the major geological assemblage units in the area of the Upland property. The underlying geology on Figure 8 and Figure 9 has been updated by Schiarizza and Church, 1996 and later modified by Massey, et. al., 2005 and is provided by the Province of British Columbia as an electronic data download of the geology province wide.

### Local Geology

A summary list of the local rock units and their descriptions is below just before Figure 9.

The local geology consists mainly of sub-units of the Eagle Bay Assemblage and the generally quartz monzonitic Baldy Batholith. There are also narrow young porphyritic dykes noted in drill core. The very limited amount of outcrop, due to the glacial till over the area on the top of the ridge between North Barriere and East Barriere Lakes, has resulted in a shortage of near surface geological detail and a limited understanding of the contact relationships of the units on the Upland property. From what is shown on the maps and the drill data reviewed the geology in the area is further complicated by folding and crenulation due to the deep regional metamorphism and later faulting related to re-emplacement near the surface of the Eagle Bay Assemblage.

Bridge, 2001 noted that he found five recognizable units on the property which comprises the eastern half of the present Upland property:

*“They are a chlorite schist, sericite-quartz schist, sericite-chlorite-quartz schist, amphibole-quartz schist and gray banded marble... The relationships between the units could not be determined due to the lack of outcrops. All of the units belong to the upper facies of unit EBQ of Schiarizza and Preto, 1987. (EBQ is the unit now identified as the lCmEBJ - Johnson Lake Unit in Figure 7 2) ... The schist are all well foliated, so the protolith of the rock is obscured by the intense recrystallization due to metamorphism and possible hydrothermal alteration.*

*The penetrative fabric in the rock in the southwest part of the area strikes northerly and dips gently to the west. In the northeast, the foliation strikes northwesterly and dips steeply to the southwest. This variation of the orientation of the foliation could possibly due to secondary folding parallel to the plane of the observed crenulation cleavage. The mineralization in the area examined consists of pyrite-quartz-chalcocopyrite veins which have been deformed by the penetrative fabric. In one subcrop, the schist hosts pyrite-chlorite veins in a siliceous schist.”*

The western side of the property is largely underlain by the Johnson Lake unit and a phyllite-limestone unit of the Eagle Bay Assemblage.

The Birk Creek Fault, is a regional thrust fault dipping to the north and/or east, and is folded over the Upland property. Schiarizza and Preto, 1987 note “The Birk Creek thrust fault separates rocks of the third Eagle Bay fault slice from underlying rocks of the first and second slices. South of the Barriere River strike-slip fault, it extends from Adams Lake north-westward to North Barriere Lake and brings together Unit EBQ (now mapped as the Johnson Lake unit) of the third slice and Unit EBG (mapped as the Graffunder Lake Unit) the second slice. The thrust presumably dips to the northeast, as do underlying rocks of Unit EBG. The hanging-wall succession, comprising Unit EBQ underlain by Devonian orthogneiss (...), dips south-west into the fault surface.”

The maps of the region show that there are significant regional scale faults within the area of the North Barriere Lake (the Barriere River fault) and East Barriere Lake as noted on Figure 9.

There is a late set of possibly Eocene age porphyritic dykes that cross the property. They often are quartz-potassium feldspar and rare plagioclase feldspar phenocrysts with an aphanitic to very fine-grained quartz-feldspathic matrix. These were noted in the south of the property. Some may be related to the nearby mid-Cretaceous quartz monzonite, but are most likely related to the Eocene age Kamloops Group volcanics to the south. Similar dykes, some with hornblende as well as quartz and feldspar phenocrysts, were noted elsewhere in the property, Leishman and Dawson, 1984 and Schiarizza and Preto, 1987.

The local geology as sourced from Schiarizza and Church, 1996, and updated/edited by the Author for the most recent unit abbreviations as shown in Figure 9 is noted below:

## EAGLE BAY ASSEMBLAGE

### MISSISSIPPIAN

MEBS

**Slate Creek unit:** dark grey phyllite and slate with interbedded siltstone, sandstone and grit; lesser amounts of conglomerate, limestone, dolostone, sericite-chlorite-quartz schist, quartzite and metatuff; **MEBvc-** metavolcanic breccia and tuff

### DEVONIAN

DEBog

**Granodioritic orthogneiss;** **DEBpg-** includes sillimanite-bearing paragneiss and schist that may correlate with the Graffunder Lake unit

DEBSk

**Skwaam Bay unit:** light grey sericite-quartz phyllite, sericite-chlorite-quartz phyllite and fragmental phyllite derived from felsic to intermediate volcanic and volcanoclastic rocks; lesser amounts of dark grey phyllite and siltstone, green chloritic phyllite, sericitic quartzite and pyritic chert (exhalite?);

### LOWER CAMBRIAN

ICmEJ

**Johnson Lake unit:** calcareous chlorite schist, fragmental schist and greenstone derived largely from mafic to intermediate volcanic and volcanoclastic rocks; lesser amounts of limestone and dolostone; minor amounts of quartzite, grit, grey phyllite, siltstone and polymict conglomerate; **ICmEJsf-** grey siliceous and/or graphitic phyllite, calcareous phyllite, quartzite, limestone and calc-silicate rock; **ICmEJlm-** Tshinakin limestone member: massive, light grey finely crystalline limestone and dolostone; **ICmEJlc-** dark grey phyllite, calcareous phyllite and limestone; minor amounts of quartzite and carbonate-sericite-quartz phyllite (metatuff?)

### HADRYNIAN(?) TO LOWER CAMBRIAN

uPrCmEBG

**Graffunder Lakes unit:** quartzite, micaceous quartzite, grit, chlorite-muscovite-quartz schist and phyllite; lesser amounts of calcareous phyllite, calc-silicate schist, carbonate, chlorite schist, staurolite-garnet-mica schist and amphibolite

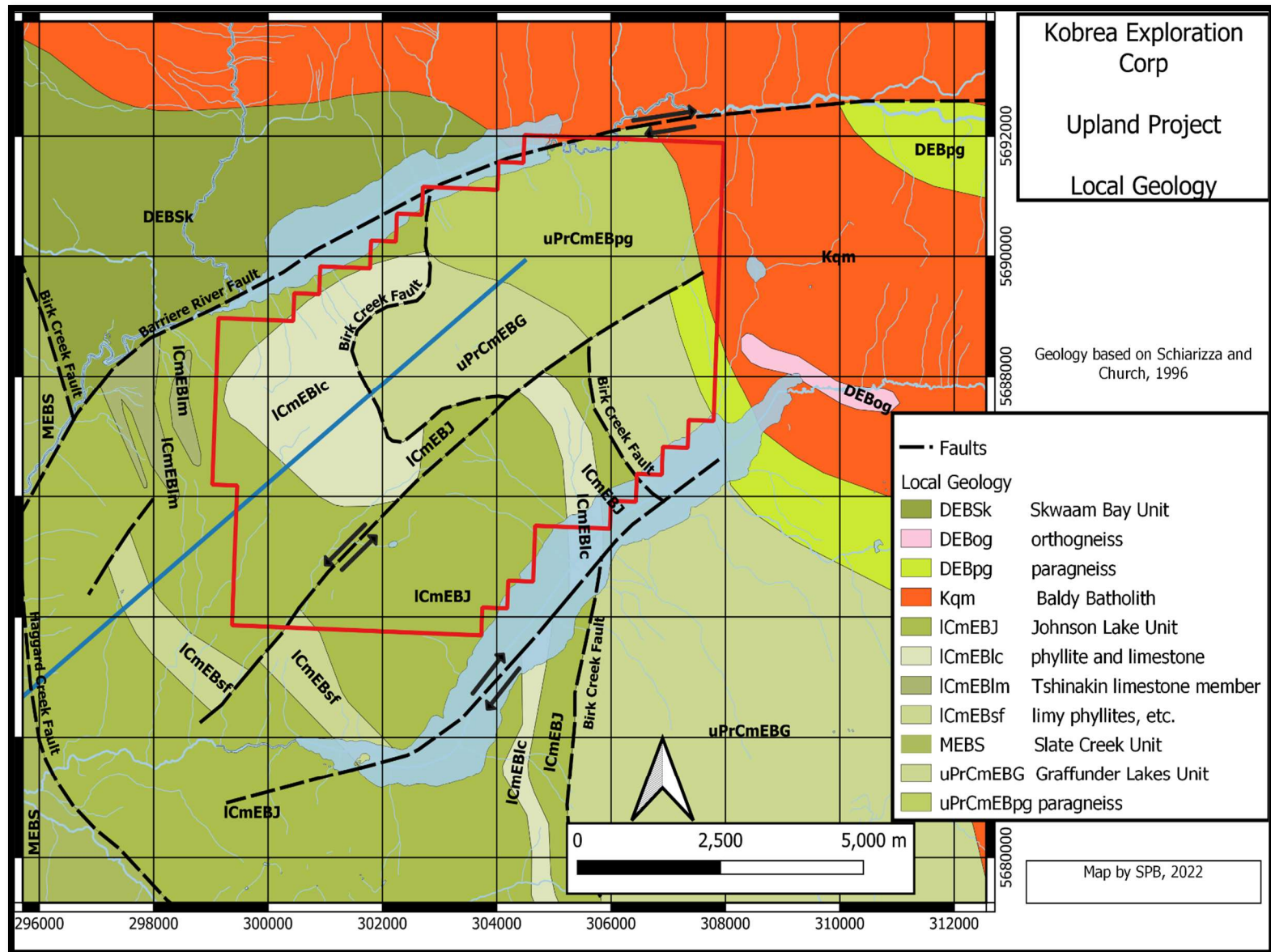
### Intrusive Rocks of the Omineca and Intermontane belts

### MID CRETACEOUS

Kqm

Quartz monzonite, granodiorite (Baldy Batholith locally)

Not shown on the maps, due to scale, are the early Tertiary quartz-feldspar porphyry, basalt and lamprophyre dykes.



**Figure 9 Local Geology**

All the units in Figure 9 but the Baldy Batholith are part of the Eagle Bay Assemblage. The blue line is the trace of Section D – D’ in Figure 10.

Figure 10 is a cross-section found in Schiarizza and Preto, 1987. The Author has edited the section for the unit names/abbreviations as presented in Figure 9 and as summarized in this section of the report. This cross-section shows the general relationships of the major formations. The Author notes the thinness of the Graffunder Lake unit as interpreted by Schiarizza and Preto, 1987. There are inconsistencies between this cross-section Figure 10 and the local geological map Figure 9 that are likely related to recent reinterpretations of the surface map.

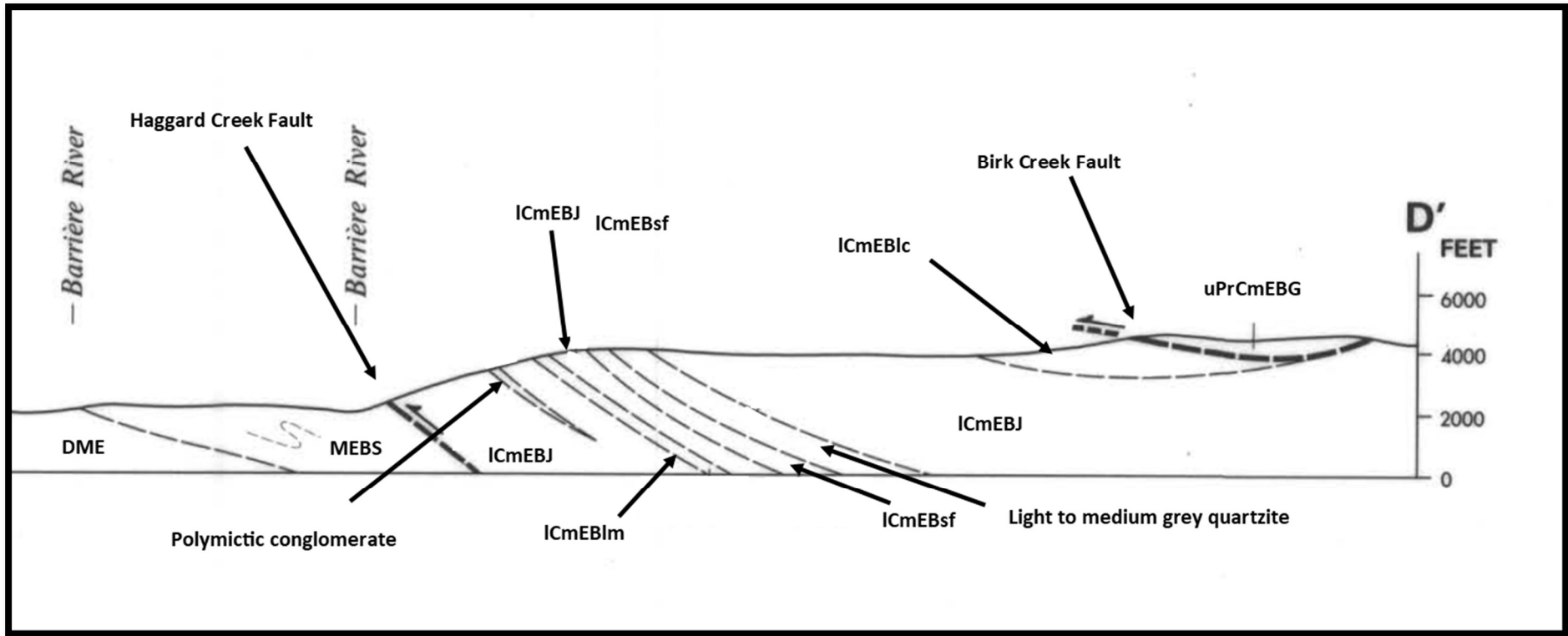


Figure 10 Section D - D'

Section location is the blue line on Figure 9. Modified by the Author for new abbreviations and fault names in 2022 from Schiarizza and Preto, 1987



## Local Mineralization

Boulders of massive sulphide chalcopyrite have been noted at several different locations on the property in multiple different reports. BC MINFILE 082M 051 EBL (location on Figure 11) notes the following:

*“Pyrite, pyrrhotite and lesser chalcopyrite occur over a 2.7-kilometre north-northwest strike length as disseminations and massive zones along foliation planes, as fracture fillings and within quartz-calcite veins. This type of mineralization occurs within a variety of lithologies but is most abundant within chloritic schists. Pyrrhotite-pyrite-chalcopyrite-magnetite mineralization within garnet-epidote-chlorite-quartz skarn also occurs, associated with amphibole and limestone.*

*Massive sulphide mineralization, up to one metre thick, occurs within a gossan zone 50 metres in length. Local foliation strikes north-northwest and dips 25 degrees westerly. Similar massive sulphide mineralization occurs over 4.3 metres in DDH 74-6, 1700 metres north-northwest of the gossan zone. Several earlier, nearby drillholes intersected good copper mineralization, one of which assayed 0.35 per cent copper over 65 metres (Assessment Report 2989). This hole, P70-9, lies 250 metres north-northwest of DDH 74-6.*

*A skarn zone 400 metres south of the exposed massive sulphide zone is exposed over a 20-metre length and a 10-metre width. Drillhole 74-6 also intersected skarn zones over an 18.3-metre interval.”*

The mineralization at the MOORE and EBL (east-centre of Upland) as noted above is generally consistent with the disseminated chalcopyrite of the metamorphically remobilized volcanogenic massive sulphide deposits known to occur outside the Upland property in the Eagle Bay Assemblage rocks. There is not enough data available for the Author to determine continuity of the zones.

Leishman and Dawson, 1984 talking about the west-central area of the Upland property noted:

*“North of the lake in the south east corner of Adon V (or possibly on the EBL property) minor amounts of galena and sphalerite were seen in quartz filled joints (1-2 cm. width) within buff coloured thin bedded quartz sericitic schists (volcanic origin?). A boulder of highly oxidized volcanic greenstone nearby carried several percent disseminated pyrite with a trace of chalcopyrite.”*

Moore, 1966 notes on the margin of a map that drilling at the RUTH showing, located near East Barriere Lake in 1965 included five short drill holes with one hole returning “2.5 feet (0.76 m) assaying Gold .01. Silver 4.2. Zinc 8.84.. Lead 4.71. Copper .17” with the Author assuming gold and silver to be reported here in ounces per ton and the other elements in percent.

The Author notes that the mineralization at RUTH is more similar to the lead-silver vein mineralization on the western side of the Upland property at the former CAD and the property to the west of the Upland property. The MOORE property is in the east-centre of the Upland property and has more of the disseminated copper rich deposits with some local copper skarn zones.



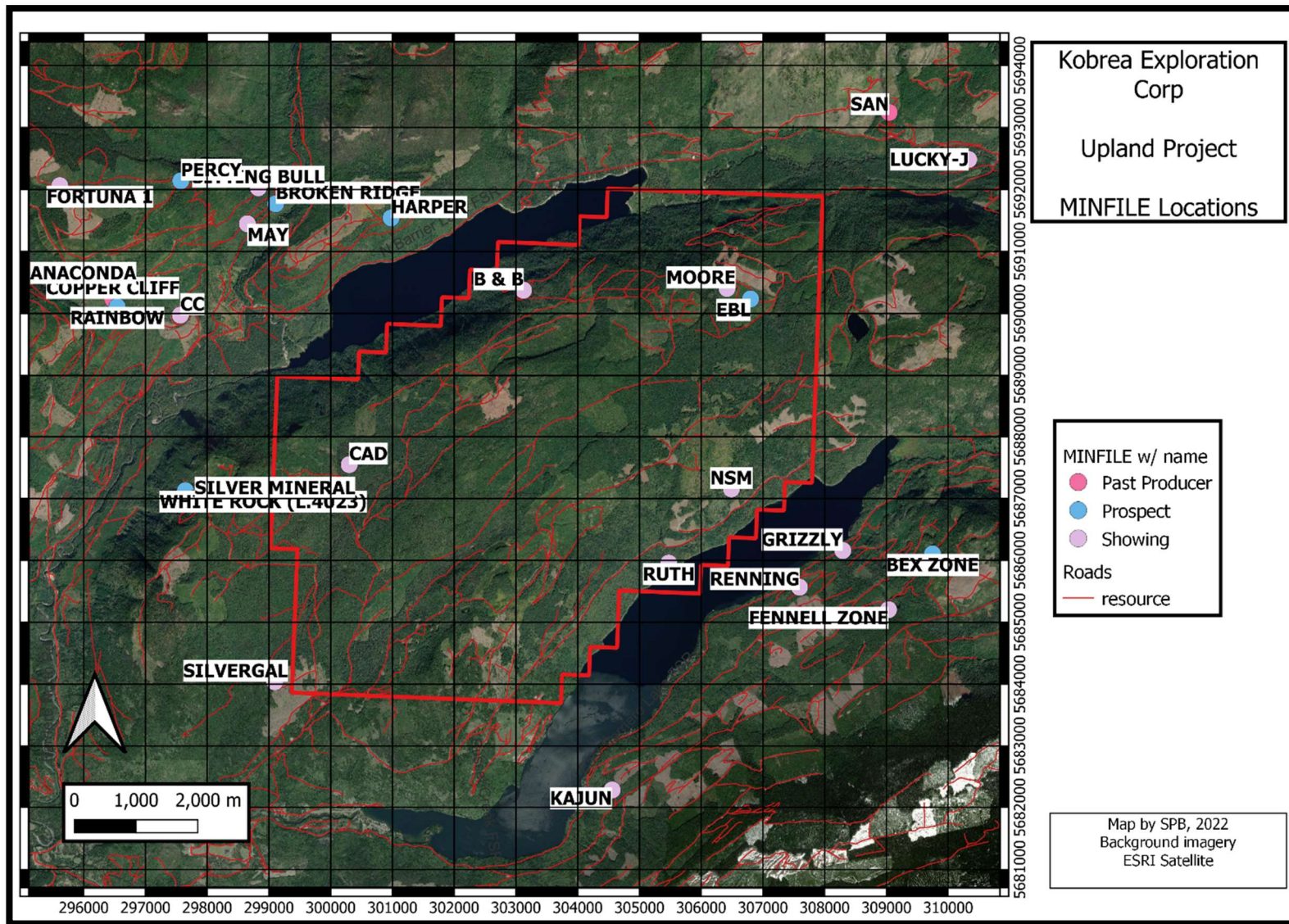


Figure 11 BCGS MINFILE Locations

## Deposit Types

The two major types of deposits noted are metamorphically remobilized volcanogenic massive sulphide or a variant of a hybrid volcanogenic massive sulphide on the eastern side of the Upland. The western side of the Upland property the mineralization seems to be quartz-carbonate veins with lead and silver plus zinc and copper.

There are disseminated pyrite-pyrrhotite-chalcopyrite type deposits seen regionally within the Eagle Bay Assemblage that are either metamorphosed copper porphyries or metamorphically remobilized volcanogenic massive sulphide deposits (“VMS”). VMS deposits of several varieties are common within the Eagle Bay Assemblage. The EBL Minfile showing at the Upland property is interpreted to be this variety, but does share some similarities to the Harper Creek deposit further discussed below. Massey, 2000 notes that the EBL and B & B showings among many others in the region were both historically classified as Kuroko-style VMS deposits. The revised version of this deposit type locally to the Upland property is known as a hybrid volcanogenic massive sulphide Ag-Au (hybrid bimodal-felsic), Lefebure and Jones, 2020. Historical work has often reported the mineralization to be a porphyry copper type deposit, but the Eagle Bay Assemblage mineralization is more similar to the remobilized VMS type. Bridge, 2001 identified Kuroko style VMS mineralization in drillholes.

There have also been skarn pyrrhotite-magnetite-chalcopyrite masses identified locally in the historical drilling. These could be related to the feeder zone of the above-mentioned VMS deposits passing through limestone beds or fluids from metamorphically remobilized VMS zones coming in contact with limestone.

The Harper Creek deposit, also known as the Yellowhead deposit, project occurs about 23 kilometres due north. It is also hosted within the Eagle Bay Assemblage rocks. The Harper Creek deposit is being moved through the mine permitting process by Taseko Mines Ltd. The report by Weymark, 2020 on Harper Creek notes the deposit type as:

*“Interpretation of the deposit type is that of a remobilized polymetallic volcanogenic massive sulphide deposit, comprising lenses of disseminated, fracture-filling and banded iron and copper sulphides with accessory magnetite. Mineralization is generally conformable with the host-rock stratigraphy as is consistent with the volcanogenic model. Observed sulphide lenses measure many tens of metres in thickness with kilometer-scale strike and dip extents. In 2009, YMI conducted a program of field mapping, sampling, relogging, petrographic examination of existing thin sections and re-assessment of the total digestion geochemical dataset that confirmed the deposit type hypothesis for the deposit ...*

*Support for this model is as follows:*

- The generally stratabound nature of the highest grades of mineralization, which can be interpreted as deformed massive to semi-massive sulphide lenses;*
- An overall metal assemblage consistent with a copper-rich VMS;*
- Interpretation of widespread, lower grade mineralization as a deformed feeder or alteration zone originally located below higher-grade massive sulphide horizons; this also accounts for the overall discordance of mineralization to stratigraphy;*
- Host rocks are highly altered felsic volcanic rocks within a bimodal volcanic sequence, similar to those that host many major VMS deposits globally;*
- The presence in the region of numerous deposits clearly compatible with a VMS genetic model”*

Rea Gold optioned the Samatosum massive sulphide deposit, which occurs within the Eagle Bay Assemblage, near Johnson Lake that is located about 17 kilometres south of the Upland property. Later optioned to Company Falconbridge Copper which drilled the property in 1983 and 1984. It was put into production from 1989 to 1993. Production included 554,873 tonnes and recovered 13,804,141 ounces of silver, 20,548 ounces of gold, 21,028,270 pounds of zinc, 11,175,512 pounds of lead, 8,108,637 pounds of copper and 215,215 pounds of antimony (MINFILE 082M 244 SAMATOSUM).

The Samatosum deposit is now recognized as a hybrid volcanogenic massive sulphide Ag-Au (hybrid bimodal-felsic) as identified in Lefebure and Jones, 2021. Synonyms are, Epithermal massive sulphide, Eskay Creek subaqueous hot spring Au-Ag; or bimodal felsic/ epithermal, or hybrid bimodal-felsic. This type of submarine deposit generally has a high precious metal content and includes other deposits in BC such as Eskay Creek and Dolly Varden. This deposit type is

quite variable, due to multiple differences in the deposits that are ascribed to it but all are hosted by submarine volcanic rocks as seen at the Upland property. Samatosum was previously classified as a Kuroko style VMS deposit until the reclassification in 2020 in light of the Eskay Creek deposit and recognition of similar precious metal rich deposit types elsewhere in BC.

The western side of the Upland property has a series of narrow lead, silver, zinc and copper veins like the area to the west and south. These are a different deposit type in a different geological environment that are possibly related to the mid-Cretaceous or Eocene intrusive dykes of the region.

### Exploration

Kobrea has completed a LIDAR study at the Upland property in mid-July, 2022. It covers the existing claim group as seen in Figure . The survey was flown by Eagle Mapping using a Cessna 210 aircraft at 1,100 metres above ground level. The LIDAR data was acquired with a Riegl LMS-Q1560 unit and a Trimble IQ180 camera was used for the Orthophoto with all data collected simultaneously with timing and location data.

The 2022 LIDAR survey is a high-resolution survey that allows the use of the survey data for the visualization of the locations of past drill collar clearings along with roads and streams, including washout damage on the roads due to storms. This will be valuable in future project planning and possibly permitting. The data may also allow tracking underlying structures, contacts and lineaments in the undergrowth, therefore improving the quality of the geological data. It will also be helpful in identifying locations of rock outcrop. There are several areas that show a marked difference from the majority of the property in that they look to be ridges and have a surface more consistent with rock outcrops than the typical gently undulating glacial till over much of the property. There is also definition of the tops of vegetation possible and orthophotography.

The 2022 airborne magnetics survey was completed under contract for Kobrea in early September, 2022 by Peter Walcott and Associates. The airborne magnetic survey was conducted using a stinger type system mounted on an ASTAR helicopter operated by Silver King Helicopters Ltd of Smithers, British Columbia. The survey coverage consisted of 743 line-km of east - west oriented at a 75-m spacing of flight lines and 75 line-km of orthogonal, 750-m spaced tie lines. The survey was carried out with a mean height of 45 metres.

The stinger unit consists of three main components – C-824 Cesium magnetometer manufactured by Geometrics San Jose, California, a Bartington Mag-03 Fluxgate magnetometer, and Optilogic RS-400 Laser Range Finder for altitude.



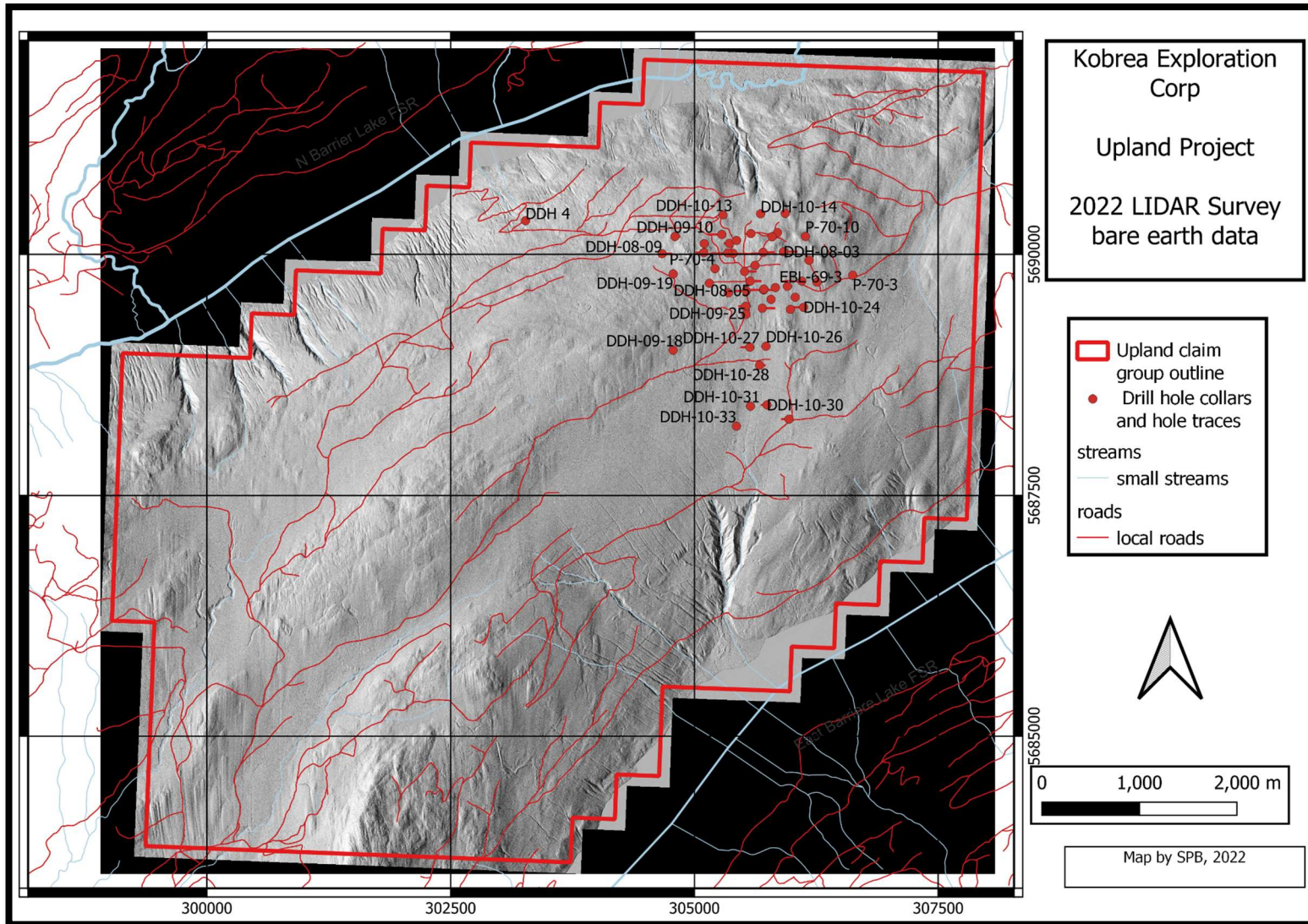


Figure 12 Plan of the 2022 LIDAR survey - Bare Earth Dataset

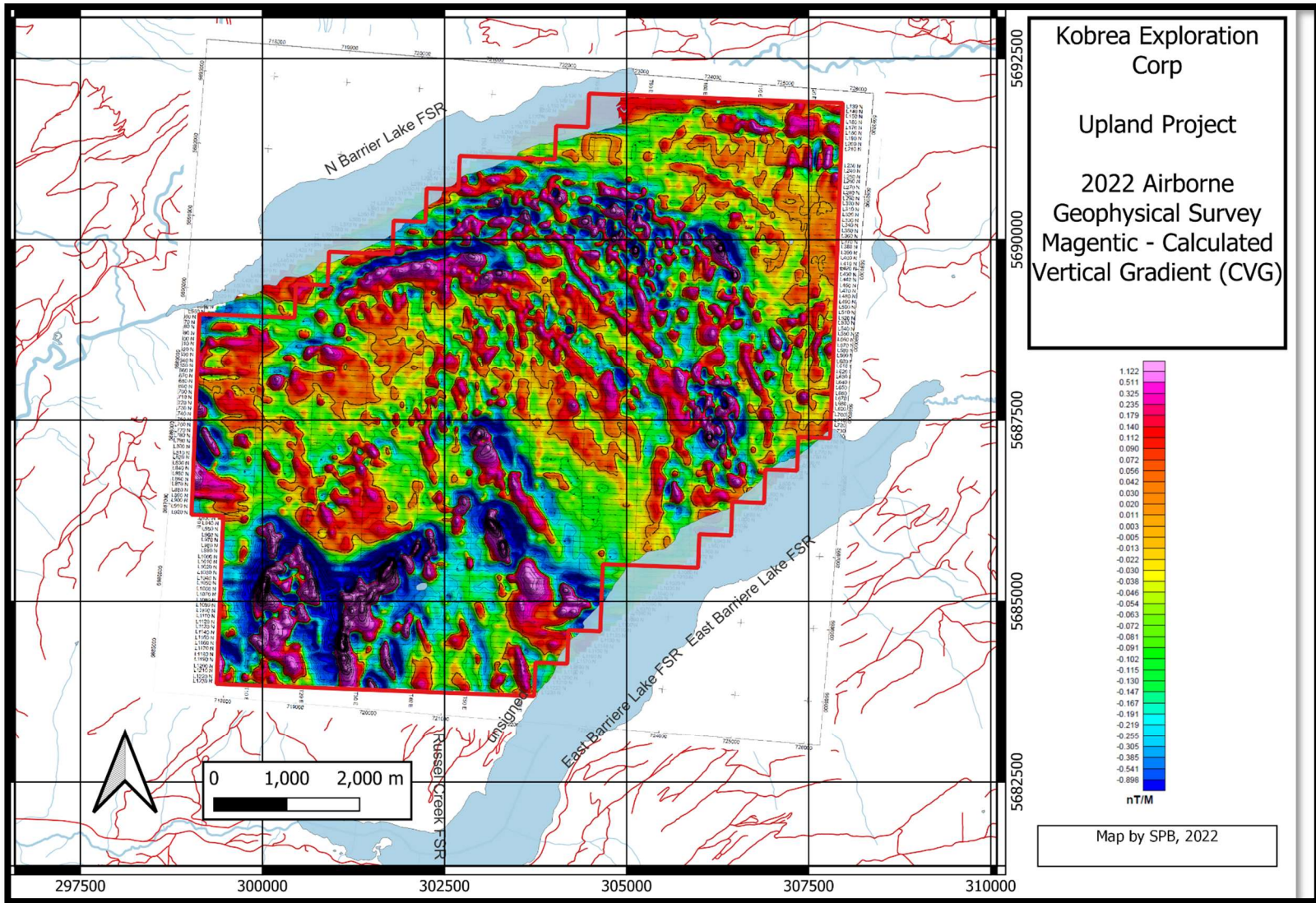


Figure 13 2022 Airborne Geophysical Survey - Magnetics - Calculated Vertical Gradient (CVG)



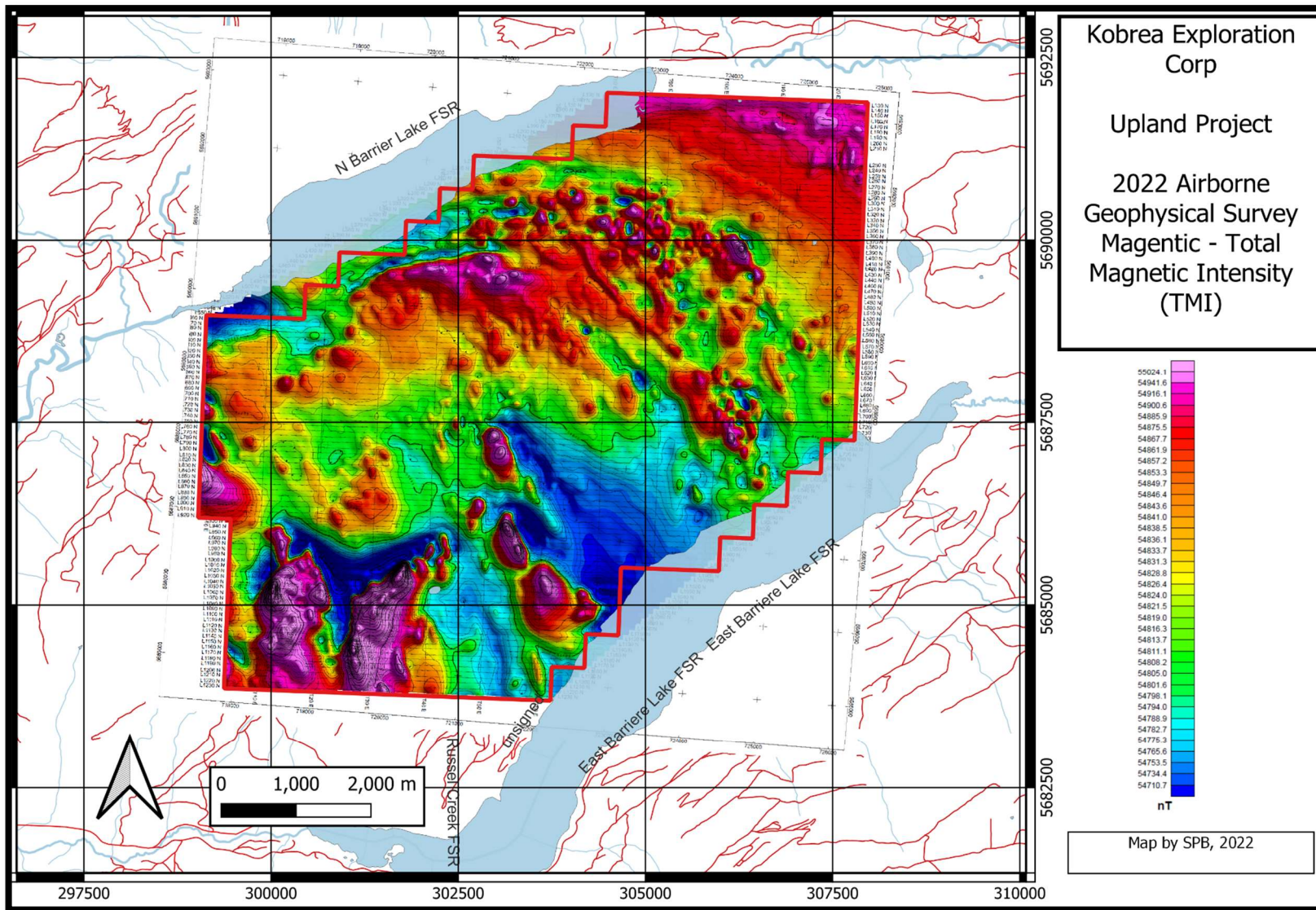


Figure 14 2022 Airborne Geophysical Survey - Magnetics – Total Magnetic Intensity (TMI)

The C-824 Cesium Magnetometer is a highly sensitive magnetic sensor. On this survey a sampling rate of 50 Hz was employed. The Mag-03 was connected to a Kana8 24-bit digitizer inside the helicopter, where the analogue output from the X, Y, and Z components were digitized and synchronized to a GPS timing signal. The respective digital outputs, were connected to a logging computer where the respective input was synchronized to an NTP time server, utilizing a GPS timing signal.

Flight line navigation data and helicopter height data was obtained using Hemisphere R330 GNSS receiver and an Optilogic RS400 laser range finder with a 10 Hz update rate. Data logging and navigation were carried out utilizing Picoenviotech ANAV software on a Panasonic CF-19 Toughbook computer with a secondary 7" daylight viewable pilot navigation monitor. In addition to the airborne unit the survey also utilized two GSM 19 Overhauser magnetometer manufactured by GEM Instruments of Richmond Hill, Ontario as base magnetometers. These instruments measure variations in the total intensity of the earth's magnetic field to an accuracy of plus or minus one nanotesla.

The airborne magnetic results seen in Figure 13 and Figure 14 show a trend similar to and overlapping with the anomalous area of the soil geochemistry of copper and the 1970 induced polarization data (Figure 5). This mirroring of trends is encouraging and will assist in the future interpretation of the underlying controlling structures. The arcuate trend seen in the magnetics hints at a regional fold or folded fault. The local geology as presented in Figure 9 based on the work of Schiarizza and Church, 1996, likely shows a different pattern to the possible underlying geology as suggested by the soil geochemistry and 2022 magnetics.

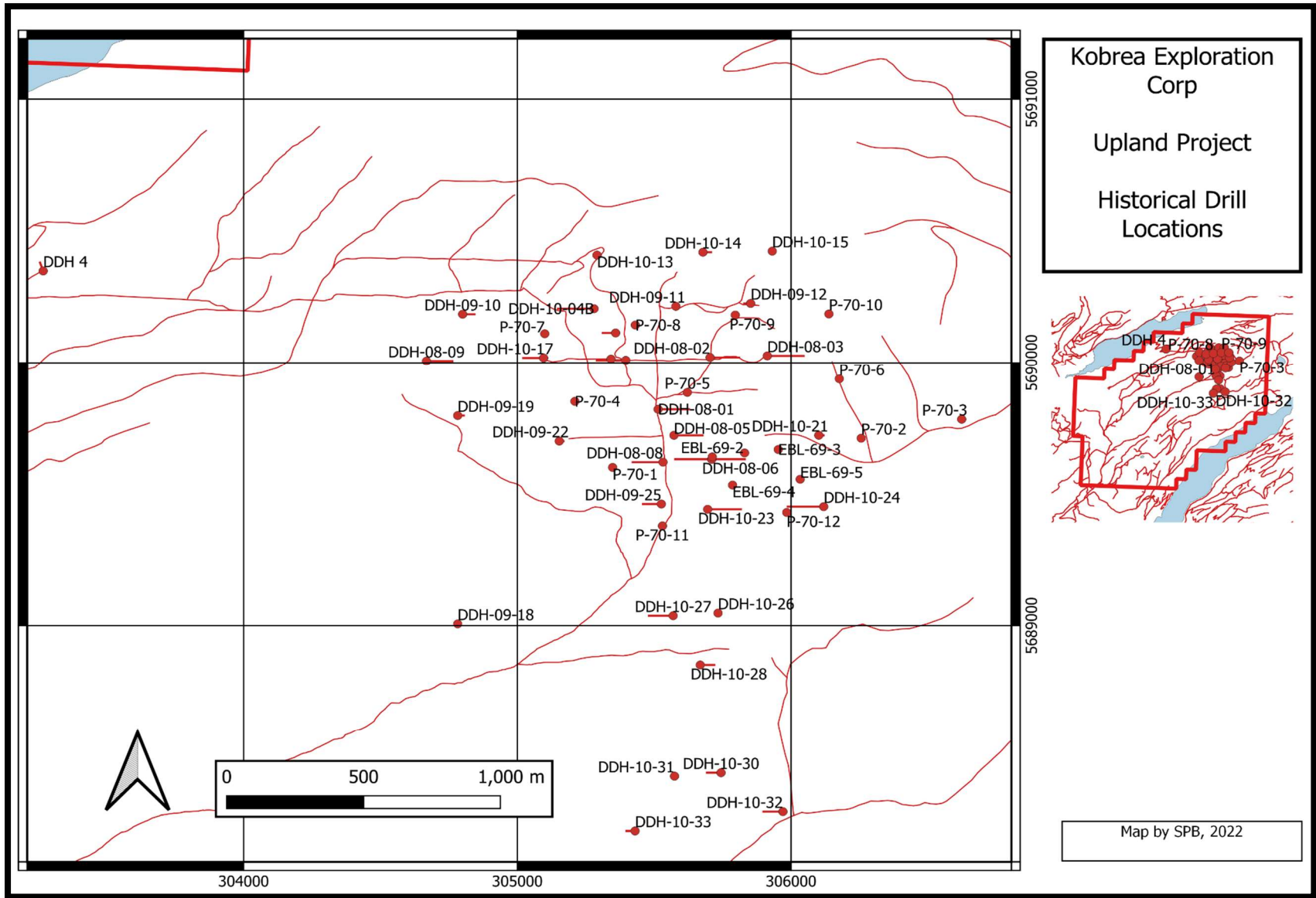
Some of the longer linear structures are possibly dykes as noted occurring locally in the regional geology of Schiarizza and Preto, 1987 and noted in several historical drill logs. The large highs in the southwest corner of the property, in the area of lead silver mineralization, may be small intrusive or volcanic units near the surface. Further field work is required to determine the origin of these anomalies. There are hints at east-west and north-northwest-south-southeast breaks in trends suggesting faults in the western end of the property. The northeast-southwest trending fault seen on Figure 9 in the centre of the property is likely present but located a bit north as suggested in Figure 14, with an offset on a possible north-south trending fault in the centre west of the property, near where part of the Birk Creek Fault is suggested to be located in Figure 9.

### Drilling

Kobrea Exploration Corp. has not completed any drilling.

Historical drilling, with documented details are seen for 69 holes, both percussion and diamond drill core as documented in Table 2. There are possibly other holes from the 1960s, as hinted at in Assessment Report histories but the reports and/or logs on these holes are not available to the Author. A reproducible location of many holes is poorly recorded, having been generally recorded as a grid location in an historical now overgrown grid location, and a useable UTM survey location is not available. Figure 15 and some of Table 2 document the holes in which the location is reasonably confidently documented or can be reproduced. The holes documented in this report total over 9,100 metres of drilling.

Moore, 1966, notes on a map edge, five holes that were drilled at the Ruth showing, near East Barriere Lake, in 1965 including one with significant copper mineralization whose location is unknown and that are not noted in Figure 15. Vollo, 1969 alludes to possibly five other holes in 1966, but the Author believes they may be discussing the same holes as drilled in 1965 with the year being mis-documented in 1969.



**Figure 15 Known drill hole locations**



**Table 2 Historical Drilling details**

| Hole ID   | Easting NAD83 z11N | Northing NAD83 z11N | Elevation (m) | Azimuth (°) | Dip (°) | Length (m) | Drill Type | Core Size | Operator                | Year | Comments             |
|-----------|--------------------|---------------------|---------------|-------------|---------|------------|------------|-----------|-------------------------|------|----------------------|
| REM-1     |                    |                     |               | 155         | -45     | 28.0       | DD         |           | Gourlay / Moore         | 1968 |                      |
| REM-2     |                    |                     |               | 20          | -45     | 89.3       | DD         |           | Gourlay / Moore         | 1968 |                      |
| REM-3     |                    |                     |               | 45          | -45     | 107.3      | DD         |           | Gourlay / Moore         | 1968 |                      |
| REM-4     |                    |                     |               | 55          | -45     | 10.7       | DD         |           | Gourlay / Moore         | 1968 |                      |
| REM-5     |                    |                     |               | 0           | -90     | 11.3       | DD         |           | Gourlay / Moore         | 1968 |                      |
| REM-6     |                    |                     |               | 50          | -45     | 44.5       | DD         |           | Gourlay / Moore         | 1968 |                      |
| EBL-69-1  | 305830             | 5689656             | 1172          | 0           | -90     | 153.01     | DD         | AX1       | Royal Canadian Ventures | 1969 | 0.30% Cu over 36.9 m |
| EBL-69-2  | 305712             | 5689641             | 1172          | 0           | -90     | 152.1      | DD         | AX1       | Royal Canadian Ventures | 1969 | 0.30% Cu over 24.4 m |
| EBL-69-3  | 305953             | 5689669             | 1172          | 0           | -90     | 152.71     | DD         | AX1       | Royal Canadian Ventures | 1969 |                      |
| EBL-69-4  | 305786             | 5689534             | 1144          | 0           | -90     | 151.18     | DD         | AX1       | Royal Canadian Ventures | 1969 | 0.44% Cu over 18.9 m |
| EBL-69-5  | 306033             | 5689556             | 1144          | 0           | -90     | 57         | DD         | AX1       | Royal Canadian Ventures | 1969 |                      |
| P-70-1    | 305348             | 5689601             | 1172          | 0           | -90     | 76.2       | RC         |           | Rayrock Mines Ltd.      | 1970 |                      |
| P-70-2    | 306256             | 5689712             | 1158          | 0           | -90     | 76.2       | RC         |           | Rayrock Mines Ltd.      | 1970 | 0.18% over 27.4 m    |
| P-70-3    | 306623             | 5689784             | 1112          | 0           | -90     | 60.96      | RC         |           | Rayrock Mines Ltd.      | 1970 |                      |
| P-70-4    | 305210             | 5689852             | 1195          | 0           | -90     | 60.96      | RC         |           | Rayrock Mines Ltd.      | 1970 |                      |
| P-70-5    | 305621             | 5689886             | 1186          | 0           | -90     | 89.92      | RC         |           | Rayrock Mines Ltd.      | 1970 | 0.28% Cu over 24.4 m |
| P-70-6    | 306176             | 5689938             | 1193          | 0           | -90     | 67.06      | RC         |           | Rayrock Mines Ltd.      | 1970 | 0.28% Cu over 34.1 m |
| P-70-7    | 305100             | 5690111             | 1184          | 0           | -90     | 70.1       | RC         |           | Rayrock Mines Ltd.      | 1970 |                      |
| P-70-8    | 305431             | 5690144             | 1183          | 0           | -90     | 76.2       | RC         |           | Rayrock Mines Ltd.      | 1970 | 0.18% Cu over 21.3 m |
| P-70-9    | 305796             | 5690182             | 1195          | 0           | -90     | 76.2       | RC         |           | Rayrock Mines Ltd.      | 1970 | 0.35% over 64.6 m    |
| P-70-10   | 306138             | 5690186             | 1180          | 0           | -90     | 76.2       | RC         |           | Rayrock Mines Ltd.      | 1970 | 0.20% over 6.1 m     |
| P-70-11   | 305530             | 5689379             | 1151          | 0           | -90     | 54.86      | RC         |           | Rayrock Mines Ltd.      | 1970 |                      |
| P-70-12   | 305984             | 5689430             | 1151          | 0           | -90     | 103.63     | RC         |           | Rayrock Mines Ltd.      | 1970 |                      |
| DDH 4     | 303268             | 5690349             | 960           | 340         | -70     | 98.45      | DD         |           | Esso Minerals Ltd.      | 1978 | 0.13% Cu over 1.8m   |
| CAD 84-1  |                    |                     |               | 250         | -45     | 66.1       | DD         | NQ        | Noranda Exploration     | 1984 |                      |
| CAD 84-2  |                    |                     |               | 350         | -45     | 66.1       | DD         | NQ        | Noranda Exploration     | 1984 |                      |
| RUSS 85-1 |                    |                     |               | 270         | -45     | 137.2      | DD         | NQ        | Noranda Exploration     | 1985 |                      |
| RUSS 85-2 |                    |                     |               | 270         | -65     | 47.5       | DD         | NQ        | Noranda Exploration     | 1985 |                      |
| CAD 87-1  |                    |                     |               | 250         | -45     | 175        | DD         | NQ        | Meritech Development    | 1987 |                      |

| Hole ID    | Easting NAD83 z11N | Northing NAD83 z11N | Elevation (m) | Azimuth (°) | Dip (°) | Length (m) | Drill Type | Core Size | Operator             | Year | Comments              |
|------------|--------------------|---------------------|---------------|-------------|---------|------------|------------|-----------|----------------------|------|-----------------------|
| CAD 87-2   |                    |                     |               | 250         | -60     | 98.8       | DD         | NQ        | Meritech Development | 1987 |                       |
| CAD 87-3   |                    |                     |               | 250         | -45     | 120.4      | DD         | NQ        | Meritech Development | 1987 |                       |
| DDH-08-01  | 305514             | 5689822             | 1171          | 90          | -60     | 225.71     | DD         | BTW       | Almo Capital         | 2008 |                       |
| DDH-08-02  | 305704             | 5690021             | 1174          | 90          | -62     | 225.86     | DD         | BTW       | Almo Capital         | 2008 | 1.04% Cu over 4.8 m.  |
| DDH-08-03  | 305913             | 5690027             | 1179          | 90          | -54     | 225.56     | DD         | BTW       | Almo Capital         | 2008 | 0.49% Cu over 20.4 m. |
| DDH-08-04  | 305396             | 5690010             | 1178          | 270         | -62     | 225.6      | DD         | BTW       | Almo Capital         | 2008 | 0.63% Cu over 10.8 m. |
| DDH-08-05  | 305572             | 5689723             | 1172          | 90          | -58     | 196.6      | DD         | BTW       | Almo Capital         | 2008 | 0.30% Cu over 5.1 m.  |
| DDH-08-06  | 305710             | 5689632             | 1172          | 270         | -47     | 195.08     | DD         | BTW       | Almo Capital         | 2008 | 0.53% Cu over 9.2 m.  |
| DDH-08-07  | 305710             | 5689632             | 1171          | 90          | -52     | 195.69     | DD         | BTW       | Almo Capital         | 2008 | 1.00% Cu over 4.0 m   |
| DDH-08-08  | 305532             | 5689621             | 1170          | 270         | -56     | 197.22     | DD         | BTW       | Almo Capital         | 2008 | 0.26% Cu over 3.0 m   |
| DDH-08-09  | 304668             | 5690007             | 1170          | 90          | -65     | 223.11     | DD         | BTW       | Almo Capital         | 2008 |                       |
| DDH-09-10  | 304800             | 5690185             | 1167          | 90          | -75     | 167.67     | DD         | NQ2       | Almo Capital         | 2009 |                       |
| DDH-09-11  | 305579             | 5690215             | 1180          | 0           | -90     | 182.88     | DD         | NQ2       | Almo Capital         | 2009 | 0.43% Cu over 26.2 m  |
| DDH-09-12  | 305852             | 5690226             | 1195          | 270         | -82     | 167.64     | DD         | NQ2       | Almo Capital         | 2009 |                       |
| DDH-09-18  | 304782             | 5689007             | 1151          | 0           | -90     | 195.08     | DD         | NQ2       | Almo Capital         | 2009 |                       |
| DDH-09-19  | 304782             | 5689798             | 1152          | 90          | -83     | 182.88     | DD         | NQ2       | Almo Capital         | 2009 |                       |
| DDH-09-22  | 305153             | 5689701             | 1175          | 90          | -85     | 173.73     | DD         | NQ2       | Almo Capital         | 2009 | 0.12% Cu over 2 m     |
| DDH-09-25  | 305526             | 5689462             | 1158          | 270         | -70     | 195        | DD         | NQ2       | Almo Capital         | 2009 |                       |
| DDH-09-34  | 305342             | 5690015             | 1124.41       | 0           | -90     | 225.8      | DD         | NQ2       | Almo Capital         | 2009 | 0.37% Cu over 8.0 m   |
| DDH-10-04A | 305359             | 5690114             | 1175.6        | 270         | -78     | 227.68     | DD         | NQ2       | Almo Capital         | 2010 | 0.19% Cu over 54.9 m  |
| DDH-10-04B | 305280             | 5690206             | 1171.4        | 270         | -55     | 228.6      | DD         | NQ2       | Almo Capital         | 2010 | 0.44% Cu over 12.2 m  |
| DDH-10-13  | 305291             | 5690409             | 1162.2        | 0           | -90     | 179.83     | DD         | NQ2       | Almo Capital         | 2010 | 0.59% Cu over 12.2 m  |
| DDH-10-14  | 305678             | 5690420             | 1159.15       | 90          | -77     | 131.06     | DD         | NQ2       | Almo Capital         | 2010 |                       |
| DDH-10-15  | 305931             | 5690424             | 1178.98       | 0           | -90     | 152.4      | DD         | NQ2       | Almo Capital         | 2010 |                       |
| DDH-10-17  | 305096             | 5690019             | 1204.26       | 270         | -68     | 198.12     | DD         | NQ2       | Almo Capital         | 2010 | 0.11% Cu over 3.1 m   |
| DDH-10-21  | 306101             | 5689723             | 1175          | 90          | -85     | 198.12     | DD         | NQ2       | Almo Capital         | 2010 | 0.24% Cu over 15.8 m  |
| DDH-10-23  | 305695             | 5689442             | 1151.53       | 90          | -50     | 188.88     | DD         | NQ2       | Almo Capital         | 2010 | 0.40% Cu over 2.0 m   |
| DDH-10-24  | 306119             | 5689452             | 1143.91       | 270         | -55     | 228.6      | DD         | NQ2       | Almo Capital         | 2010 | 0.12% Cu over 73.2 m  |
| DDH-10-26  | 305733             | 5689048             | 1143.91       | 0           | -90     | 227.07     | DD         | NQ2       | Almo Capital         | 2010 | 0.26% Cu over 8.1 m   |
| DDH-10-27  | 305569             | 5689038             | 1143.61       | 270         | -68     | 234.67     | DD         | NQ2       | Almo Capital         | 2010 | 0.30% Cu over 3.9 m   |
| DDH-10-28  | 305668             | 5688851             | 1121.36       | 90          | -75     | 197.8      | DD         | NQ2       | Almo Capital         | 2010 | 0.35% Cu over 2.0 m   |

| Hole ID   | Easting NAD83 z11N | Northing NAD83 z11N | Elevation (m) | Azimuth (°) | Dip (°) | Length (m) | Drill Type | Core Size | Operator     | Year | Comments |
|-----------|--------------------|---------------------|---------------|-------------|---------|------------|------------|-----------|--------------|------|----------|
| DDH-10-30 | 305744             | 5688440             | 1068.02       | 270         | -75     | 198.12     | DD         | NQ2       | Almo Capital | 2010 |          |
| DDH-10-31 | 305574             | 5688427             | 1067.71       | 0           | -90     | 198.12     | DD         | NQ2       | Almo Capital | 2010 |          |
| DDH-10-32 | 305970             | 5688293             | 1062.84       | 270         | -65     | 167.69     | DD         | NQ2       | Almo Capital | 2010 |          |
| DDH-10-33 | 305430             | 5688220             | 1064.06       | 270         | -80     | 182.88     | DD         | NQ2       | Almo Capital | 2010 |          |

Source: modified from Kobre Exploration, 2022

### Sample Preparation, Analyses and Security

Kobrea has not done any rock or soil sampling on the Upland property.

The last recorded sampling at the Upland property was for the diamond drill program of 2010, with reporting completed in 2011. The analysis in this program was done by Acme Laboratory now part of Bureau Veritas Laboratories in Vancouver. It was and continues to be an accredited mineral analysis laboratory. The sampling security processes used by the previous operator, Almo Capital Corp., are not summarized in the report although the laboratory methods are well described. Future exploration sampling will require a robust sample preparation, insertion of standardized and blank control samples and a sample security program with a clear reporting of the methods used.

The Author collected a grab sample from the Trench 5 area and hand delivered it to ALS Laboratory in North Vancouver, BC. The ALS Laboratory where the rock was analysed meets the requirements and is accredited to International Standards ISO/IEC 17025:2017. The analysis was for 48 elements by ICP-MS instrumentation plus gold by fire assay. The copper value was determined by four-acid ore-grade copper analysis, after copper by ICP-MS analysis was above 10,000 ppm. Preparation before analysis was by standard drying, crushing and pulverizing. This grab sample returned 1.15% copper and 13% iron. The sample was a very heavily iron-oxidized rock consistent with a possible massive or heavily mineralized disseminated sulphide boulder. This location was trenched and backfilled in 1990. The area was where a massive sulphide band was mapped in the 1990 trench report.

No other significant rock samples were collected during the June 2022 site visit.

Future phases, especially the trenching and diamond drilling recommended to Kobrea by the Author, will require a comprehensive quality control and assurance program including insertion of blank and standard value samples.

The Author's opinion is that the sample preparation, analyses and security procedures used by the Author to date are adequate for a project at this stage of development. The Almo Capital Corp. sample preparation and analyses is adequate for this report but the security methods used by Almo Capital Corp. are not reported and could not be assessed by the Author.

### Data Verification

The Author was able to do very limited direct data verification of the historical data. The following describes the actions the Author did take to assess the property and the historical data and reports.

On June 22, 2022 the Author visited the Upland Copper property as summarized in Section 2.3 of the Technical Report. Multiple features noted in historical reports including areas of trenches, drill collars and a pile of disturbed drill core and drill boxes were found at or near the locations noted on maps in past reports. The roads and multiple drill pads, which were noted in historical reports were seen at the locations noted. Outcrops are very limited in the area visited and were searched for where they are indicated on maps but were not located. The areas where the reports indicated outcrops occur are in areas of disturbance and are presently covered with very thick undergrowth and possibly were further disturbed since the reports were published. The Author grabbed a rock sample and with a 1.15% copper content confirmed that rocks with higher copper values do occur on the Upland property.

The Author was provided by Kobrea with copies of some of the original Assay Certificates from 2008 to 2010 as received from the successor company of Almo Capital, now called Blackrock Silver Corp. The Author completed a quick review of several of these Certificates and they are consistent with the Assay Certificates reproduced in one of the BC Government Assessment Reports by Almo Capital.

In early September, 2022 the Author was provided by Kobrea with a further five Assay Certificates directly issued by the successor laboratory to Acme Labs, Bureau Veritas laboratories, following payment of a copy replacement fee. A random review of two of the Certificates by the Author confirms that they are consistent with the Certificates in the Almo Capital 2009 and 2010 drilling Assessment reports.

The Author also reviewed the historical Assessment Reports and Property File Reports as noted in the Reference section of this report. Several maps from these reports were overlain in GIS software by Kobrea staff and later others by the Author. These were added to a project GIS database that allowed for the development of a growing database of historical information. This data from Kobrea and the other data acquired by the Author are the source of many of this report's maps.

The Author reviewed select GIS data provided by Kobrea. In a random scan check of multiple different sample locations/values the Author found the data to be consistent with the source reports. Within the GIS data compiled by Kobrea and further historical programs added to it by the Author, from historical Assessment Report maps, are trends that show the concentration of higher values for copper (in ppm) in soil samples along a generally north-south belt that bends to the northwest in the north central end of the property (Figure 5). The Author, during this review and data addition, noted the generally positive correlation between location and copper ppm soil values when comparing overlapping survey locations from studies of different years/companies. This strong correlation between several different independent sources is reassuring of the generally higher quality of this historical soil geochemical data as historically collected and compiled.

The Author collected a grab type rock sample on the spoil pile of Trench 5 and hand delivered it to ALS Laboratory in North Vancouver, BC. The rock consisted of a very iron oxidized exterior with some pyrite crystals remaining and some rust covered micaceous surfaces. The sample returned 1.15 % of copper and about 13 % iron with limited other significant results. These results confirm the presence of analysis values consistent with values of past programs. The ALS Laboratory where the rock was analysed meets the industry requirements for quality and sample security and is accredited to International Standards ISO/IEC 17025:2017.

It is the Author's opinion that the data verification completed is adequate for a project at this stage of development.

#### Mineral Processing and Metallurgical Testing

The Author has not found nor is aware of any documentation of mineral processing or metallurgical work.

#### Mineral Resource Estimates

There have been no Mineral Resource Estimates at the Upland property.

***The report headings for Items 15 to 22, for properties in Advanced Development Programs, of the NI 43-101 F1 format have been omitted.***

#### Adjacent Properties

The adjacent properties to the Upland property report similar styles of targeted copper mineralization in similar geological environments and are located north of North Barriere Lake and south of East Barriere Lake. As well there are properties to the west with similarities to the quartz-carbonate vein mineralization noted on the west side of the Upland property. The MINFILE data developed by the BCGS outlines the major mineral properties in BC. It shows a few of the regional prospects and showings, as located as MINFILES in Figure 11.

South of East Barriere Lake, the KAJUN, has had historical work completed frequently with other programs on the Upland property notably with the historical CAD property. MINFLIE 082M 058 KAJUN describes the geology as:

*“The lead-zinc-silver-gold-bearing sulphide occurrence is hosted within grey-white-black mica-phyric, dark green calcareous and fragmental schists of the Eagle Bay Formation. The showing lies along a northerly trending contact between dark grey phyllite and siltstone and overlying Tshinakin limestone. ... Hostrocks on the property have developed a low-grade metamorphic assemblage, including a micaceous fabric in schists and phyllitic hostrocks. Massive sulphide mineralization is closely associated with a secondary muscovite-sericite-ankerite-calcite±graphite alteration assemblage.*

*On the Pongo property, mineralization occurs as 1 to 5-metre-wide zones of massive and semimassive galena, sphalerite, pyrite, chalcopryrite, tetrahedrite, rare chalcocite, pyrrhotite and electrum. At the Kajun occurrence, a concordant lens of fine-grained siliceous rock, generally less than 1 metre thick, occurs within the limestone.”*

The mineralization at KAJUN has areas on the west-side of the Upland property that share similar mineralization.

There are other showings south of the lake that have limited results to report that have been the focus of historical work programs that have mineralization styles more similar to the lower grade copper mineralization at the Upland property.

North of North Barriere Lake and the Upland property, where the mineralization is lower grade copper like the focus of the targets on Upland, is the Broken Ridge showing where MINFILE 082M 130 BROKEN RIDGE notes:

*“drillhole 93-NB-02 tested the downdip extension of the Broken Ridge sulphide zone and yielded intercepts of up to 1.80 per cent copper over 3.15 metres” in an area “underlain by metavolcanics and lesser meta- sedimentary rocks of the Eagle Bay Formation of Devonian to Mississippian age”*

Also north of the lake is the Harper showing which includes old workings including three adits. Exploration programs, especially in the 1970s, included work that overlapped south of North Barriere Lake onto the northwest corner of the Upland property. The MINFILE 082M 060 HARPER has a description:

*“The area is underlain by metavolcanics and metasediments of the Devonian Skwaam Bay Unit of the Eagle Bay Assemblage. The rocks consist of phyllites and schists derived from felsic to intermediate calc-alkaline volcanic and volcaniclastic rocks. The strata forms a homoclinal sequence with a moderate, uniform southwesterly dip. The Cretaceous Baldy Batholith lies to the north.*

*Mineralization occurs as stratabound bands of massive sulphides consisting of pyrrhotite and pyrite and lesser chalcopyrite, sphalerite and galena. Two main sulphide bands, trending northwest and dipping southwest at 25 to 45 degrees, occur within quartz-sericite schist.”*

It continues describing the drilling in 1976 as:

*“intercepted a zone of narrow bedded pyrrhotite-pyrite lenses yielding copper values from 0.15 per cent over 7.9 metres to 0.84 per cent over 4.9 metre”*

A lot of work has been done historically on the other showings in the area north of North Barriere Lake. There has been a lot of overlap of the programs on multiple showings in the past. The rock units in this area are similar to the units on the Upland property.

To the west of the Upland property are the Silvergal, White Rock and Silver Mineral showings. These are generally lead, silver, zinc and copper vein showings hosted to the Tshinakin Limestone and the Johnson Lake members of the Eagle Bay Assemblage. Work began in the early 1900s and included developing at least three adits. There is likely mineralization of this type on the west side of the Upland property. Work continued recently on this nearby property now known as the Bluff and Ridge claims. This showing has similarities to the KAJUN mineralization, south of East Barriere Lake.

The Author has not visited and has been unable to verify the information on the adjacent properties and that the information on these properties is not necessarily indicative of the mineralization on the Upland property.

#### Other Relevant Data and Information

The Author is not aware of any other relevant data or information.

#### Interpretation and Conclusions

The Upland property is being targeted for a metamorphically remobilized and now partly disseminated former massive sulphide deposit. Other deposit types, such as veins and massive sulphide bodies and skarns, are possible and need to be considered when future interpretation of results is made.

The major units underlying the Upland property are the various sub-divisions of the Early Cambrian to Late Mississippian, Eagle Bay Assemblage and the mid-Cretaceous, Baldy intrusive batholith and related units.

The Yellowhead deposit, located about 23 kilometres north of the Upland property, within the Eagle Bay Assemblage rocks on the north side of the Baldy Batholith is the deposit most similar to the target mineralization sought at the Upland property. The past drilling at the Upland property and some of the historical trenching have found mineralization consistent with this style of deposit. The past metamorphism in the Eagle Bay Assemblage rocks of the Upland property have left the massive sulphide bands and pods in the Eagle Bay Assemblage rocks metamorphically remobilized and moved from the original location of deposition.

The Upland property is largely covered by an extensive layer of glacial till. This has limited the extent of outcrops and the full understanding of the near surface geology at the Upland property. Due to this covering the geology is poorly understood and will benefit from further data compilation and work such as trenching.

About a half of the historical drilling was completed in 2008 to 2010. There is only one report, Mark, 2012, noting that this data has been re-evaluated and re-interpreted, but to a very limited extent. There is a lot of historical data available along with the 2022 exploration that must be collated into a single comprehensive dataset before further field work is started.

There are a moderate number of past drill holes on the Upland property. There are likely over 70 historical drill holes as noted in later report histories, although many have limited or no data found at this time. The quality of the drill data varies. Most of this data is valuable for future exploration targeting and geological interpretation, some may not be useful in future mineral resource estimates.

The largest uncertainties, but not exhaustive, at the Upland project are related to potential future Aboriginal land title and possible future permitting timing and permitting terms.

The 2022 LIDAR survey has valuable information on probable drill locations and site conditions. The 2022 airborne magnetic and past soil geochemical surveys, as well as the 1970 induced polarization survey shown in Figure 5, have strong overlapping similarities of ground presentation and they also suggest a different interpretation from the regional geology of regional government surveys such as Schiarizza and Preto, 1987 and Schiarizza and Church, 1996. Further work will be required to determine the true underlying geology.

In light of this probable new suggested geological re-interpretation, historical geochemical surveys and the results of past drill programs, further exploration is suggested by the Author as outlined in Table 3 below.

Recommendations

**Table 3 Recommended Budget for Future Exploration**

| Activity                                        | Number of Units | Units  | Cost per unit | Units            | Total Cost       |
|-------------------------------------------------|-----------------|--------|---------------|------------------|------------------|
| <b>Phase 1</b>                                  |                 |        |               |                  |                  |
| Geological Mapping                              |                 |        |               |                  | \$5,000          |
| Data Compilation and geophysical interpretation |                 |        |               |                  | \$15,000         |
| Permitting                                      |                 |        |               |                  | \$20,000         |
| Trenching                                       | 1,000           | metres | \$70          | per metre all in | \$70,000         |
| <b>Total</b>                                    |                 |        |               |                  | <b>\$110,000</b> |
| <b>Phase 2</b>                                  |                 |        |               |                  |                  |
| Drilling                                        | 1,000           | metres | \$300         | per metre all in | \$300,000        |
| <b>Total</b>                                    |                 |        |               |                  | <b>\$300,000</b> |

Phase 1

The continued ongoing compilation of the historical data including further soil geochemistry, geology and geophysics into a dedicated GIS database as started by Kobre and supplemented by the Author is essential to success in the next steps of exploration. Compilation of further elements of the soil geochemistry, to compliment and confirm trends in the copper soil data, should be considered. The 2022 LIDAR and airborne magnetic surveys must be included in this compilation and geology reinterpretation. The development of a comprehensive, historical drill database for use in 3D geological data programs by creating a set of geology, assay and survey files related to the existing drill collar spreadsheet is necessary. In light of the airborne magnetic, IP and soil geochemistry suggesting a different interpretation from the government geological data, a compilation of the past diamond drilling will allow a better understanding of the underlying buried geology.

A small geological mapping program of a few days to a week should follow the trend of the probable outcrops as seen in the 2022 LIDAR data. This could assist heavily in an alternate interpretation related to trends hinted at in the soil geochemistry and 2022 airborne magnetics data. This can be accompanied by a ground truthing of the drill collars using a GPS, assisted with the 2022 LIDAR data. The collars are generally well marked in the field for the 2008 to 2010 programs (see Photo 2-2) and the Author witnessed a small error in one hole likely related to different survey datums used in historical field programs. The LIDAR data suggests flattened areas consistent with drill pads close but separated from several of the historical drill collar data points.

Permitting will be required for the trenching and potential future drilling. The cost of this generally difficult to estimate due to possibly multiple First Nations requiring consultation, but \$20,000 is a good starting point.

Trenching with an excavator in the target areas is required. This will require a geologist to direct the locations, map the geology and mark the sample locations. The trenches should be washed before mapping and sampling. The analysis costs and reporting are the other costs that are included in the per metre trenching cost estimate.

#### Phase 2

Contingent on positive results during the first phase of this program Kobre should proceed to complete diamond drilling of the targets uncovered. Drilling of about 1,000 metres of NQ sized core will be a good start. The cost estimate provided is an all-in cost estimate including drilling, sampling, analysis, supervising and reporting.



## USE OF AVAILABLE FUNDS

The Company is not raising any funds in conjunction with this prospectus. Accordingly, there are no proceeds.

The Company has historically generated negative cash flows and there is no assurance that the Company will not experience negative cash flow from operations in the future. All funds available to the Company will be used to fund future and anticipated negative cash flow from its operating activities.

### Funds Available and Principal Purposes

The Company had approximate working capital of \$468,644 as of November 30, 2023, its most recent month end. The gross proceeds to the Company under the Special Warrant Private Placement were \$258,950.

The working capital of the Company as of November 30, 2023 will be used for the purposes described below:

| Use of Available Funds                                                          |                  |
|---------------------------------------------------------------------------------|------------------|
| Complete recommended Phase 1 exploration program on the Property <sup>(1)</sup> | \$110,000        |
| Initial Listing Fees <sup>(2)</sup>                                             | \$60,000         |
| General and administrative costs for next 12 months <sup>(3)</sup>              | \$120,000        |
| Unallocated working capital                                                     | \$178,644        |
| <b>TOTAL:</b>                                                                   | <b>\$468,644</b> |

**Notes:**

- (1) See "The Upland Property – Recommendations."
- (2) Including legal, audit, securities commissions, and Exchange fees.
- (3) See the table below for a description of the estimated administrative costs of the Company for the next 12-month period.

Upon Listing Date, the Company estimates that its working capital will be sufficient to meet its administrative costs and exploration expenditures for the 12-month period following the Listing Date, which exploration expenditures are expected to be sufficient to cover the cost of the Phase 1 program at the Property.

Administrative costs for the 12-month period following the Listing Date are comprised of the following:

| General and Administrative Costs for 12-Month Period Following the Listing Date |                  |
|---------------------------------------------------------------------------------|------------------|
| Transfer Agent, Listing, Filing and Legal Fees                                  | \$50,000         |
| Accounting and Auditing                                                         | \$10,000         |
| Office and Miscellaneous                                                        | \$15,000         |
| Travel                                                                          | \$15,000         |
| Management Compensation <sup>(1)</sup>                                          | \$30,000         |
| <b>TOTAL:</b>                                                                   | <b>\$120,000</b> |

**Note:**

- (1) This amount is compensation to be paid to Mr. Patel pursuant to the Patel Agreement for services rendered to the Company as Chief Financial Officer and Corporate Secretary, and as such is a related party transaction. For more information, please see "Executive Compensation – Compensation Discussion and Analysis".

The use to which the \$178,644 of unallocated working capital will be put has not yet been determined by the Company, as the nature of the Company's future expenditures is contingent on the results of the Phase 1 exploration program. The Company retains a sizeable unallocated working capital to account for future contingencies, including the possibility of commencing work on a Phase 2 exploration program if warranted, or failing positive results of Phase 1, the possibility of pursuing opportunities to acquire interests in other properties.

### Business Objectives and Milestones

The Company's current business objective and sole current milestone is to complete the Phase 1 exploration program on the Property, as described herein. Based upon the recommendations of the Author in the Technical Report, the Company intends to carry out the Phase 1 exploration program in July 2024 and complete the field work for Phase 1 by September 30, 2024. The proposed budget for Phase 1 in the Technical Report is based on a 2-month work program, but the exact timeline is subject to change. The Company expects the Phase 1 exploration to cost

\$110,000. If the results of the Phase 1 exploration program are positive, the Company will look towards carrying out a Phase 2 exploration program.

The Company's unallocated working capital will likely not be sufficient to fund a Phase 2 exploration program on the Property. Therefore, in the event the results of the Phase 1 exploration program warrant conducting further exploration on the Property, the Company will require additional financing to complete a Phase 2 exploration program. The availability of such financing cannot be guaranteed. The Company does not have an estimate of what a Phase 2 exploration program would cost at this time.

Although the Company intends to expend the funds available to it as set out above, the amount actually expended for the purposes described above could vary significantly depending on, among other things, mineral prices, unforeseen events, and the Company's future operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to the Company. Accordingly, if the results of the Phase 1 exploration program are not supportive of proceeding with Phase 2, or if continuing with the Phase 1 exploration program becomes inadvisable for any reason, the Company may abandon in whole or in part its interest in the Property or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Company, although the Company has no present plans in this respect. Subscribers to the Special Warrant Private Placement must rely on the experience, good faith, and expertise of management of the Company with respect to future acquisitions and activities.

## **DIVIDENDS OR DISTRIBUTIONS**

### **Dividends**

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its cash to finance its exploration activities, finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

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

The Company's Management's Discussion and Analysis provides an analysis of the Company's financial results for the period commencing March 16, 2022 and ended January 31, 2023 and the three and six months ended July 31, 2023 should be read in conjunction with the financial statements of the Company for such periods and the notes thereto. The Company's Management's Discussion and Analysis for the period commencing March 16, 2022 and ended January 31, 2023 and the three and six months ended July 31, 2023 is attached to this Prospectus as Schedule "C".

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

### **Disclosure of Outstanding Security Data**

#### *Common Shares*

As at the date of this Prospectus, the Company has 16,200,200 Common Shares issued and outstanding, and the Company will have 18,789,696 Common Shares issued and outstanding following the exercise or deemed exercise of all the Special Warrants.

### *Stock Options*

The Company has not granted any stock options as at the date of this Prospectus.

### *Special Warrants*

As at the date of this Prospectus, the Company had 2,589,496 Special Warrants outstanding, issued as part of the Special Warrant Private Placement. Each Special Warrant entitles the holder to acquire, without further payment, one unit. Each unit will be comprised of one SW Share and one SW Warrant, each Warrant exercisable into one Warrant Share at an exercise price of \$0.20 for three (3) years from the Listing Date. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the Receipt; and (b) five (5) months from the Closing Date. Following the exercise or deemed exercise of all the Special Warrants, the Company will have no Special Warrants outstanding.

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

The Company anticipates that its estimated working capital of \$468,644 as of November 30, 2023, being the most recent month end, will fund operations for the next 12-month period. Management estimates that the Company will require \$110,000 to pay for the Phase 1 exploration program expenditures on the Property, \$60,000 for initial listing fees and \$120,000 for general and administrative expenses. Other than the costs stated above, the Company does not anticipate incurring any other material capital expenditures during the next 12-month period.

## **DESCRIPTION OF SECURITIES DISTRIBUTED**

### **Common Shares**

The Company's authorized capital consists of an unlimited number of Common Shares, of which 16,200,200 are issued and outstanding as at the date of this Prospectus as fully paid and non-assessable. Following the exercise or deemed exercise of all the Special Warrants, there will be 18,789,696 Common Shares issued and outstanding. Holders of the Common Shares are entitled to vote at all meetings of the holders of the Common Shares and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to participate ratably in any distribution of the Company's property or assets upon liquidation or wind-up.

The Board is authorized to issue additional Common Shares on such terms and conditions and for such consideration as the Board may deem appropriate without further security holder action.

### **Special Warrants**

The Company closed the Special Warrant Private Placement on July 13, 2023 and issued an aggregate of 2,589,496 Special Warrants. Each Special Warrant entitles the holder to acquire, without further payment, one Unit. Each Unit will be comprised of one SW Share and one SW Warrant, each Warrant exercisable into one Warrant Share at an exercise price of \$0.20 for three (3) years from the Listing Date. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the Receipt; and (b) five (5) months from the Closing Date.

The Company has provided to each Special Warrant holder a contractual right of rescission of the prospectus exempt transaction under which the Special Warrant was initially acquired. The contractual right of rescission provides that if a Special Warrant holder who acquires another of the Company's securities on exercise of the Special Warrant as provided for in this Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of the Prospectus or an amendment to the Prospectus containing a misrepresentation, then:

1. the holder is entitled to rescission of both the holder's exercise of its Special Warrant and the private placement transaction under which the Special Warrant was initially acquired;
2. the holder is entitled in connection with the rescission to a full refund of all consideration paid to the Company on the acquisition of the Special Warrant; and

3. if the holder is a permitted assignee of the interest of the original Special Warrant subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder were the original subscriber.

Upon conversion of the Special Warrants into SW Shares and upon conversion of the Warrants into Warrant Shares, holders of such Common Shares shall be entitled to vote at all meetings of the holders of Common Shares and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to participate rateably in any distribution of the Company's property or assets upon liquidation or winding-up.

## CONSOLIDATED CAPITALIZATION

The following table sets out the share capitalization of the Company as at the dates specified below.

| Description      | Authorized | Outstanding as at January 31, 2023 | Outstanding as at July 31, 2023 | Outstanding as at the date of this Prospectus <sup>(1)(2)</sup> | Outstanding following the exercise of all the Special Warrants <sup>(2)</sup> |
|------------------|------------|------------------------------------|---------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------|
| Common Shares    | Unlimited  | 16,200,200                         | 16,200,200                      | 16,200,200                                                      | 18,789,696                                                                    |
| Warrants         | Unlimited  | 7,200,000                          | 7,200,000                       | 7,200,000                                                       | 9,789,496                                                                     |
| Special Warrants | Unlimited  | Nil                                | 2,589,496                       | 2,589,496                                                       | Nil                                                                           |

**Notes:**

- (1) See "Prior Sales".
- (2) On an undiluted basis.

### Fully Diluted Share Capitalization

| Common Shares                                                                            | Amount of Securities | Percentage of Total |
|------------------------------------------------------------------------------------------|----------------------|---------------------|
| Issued and outstanding as at the date of this Prospectus                                 | 16,200,200           | 56.7%               |
| Common Shares reserved for issuance upon the exercise of the Special Warrants            | 2,589,496            | 9.1%                |
| Common Shares reserved for issuance upon exercise of the Warrants, including SW Warrants | 9,789,496            | 34.3%               |
| Common Shares reserved for issuance upon exercise of options                             | Nil                  | Nil                 |
| <b>Total Fully Diluted Share Capitalization after the Listing Date</b>                   | <b>28,579,192</b>    | <b>100%</b>         |

## OPTIONS TO PURCHASE SECURITIES

### Outstanding Options

The Company has not granted any stock options as at the date of this Prospectus.

### Stock Option Plan

The Company does not have a stock option plan.

## PRIOR SALES

The following table summarizes all sales of securities of the Company since the date of incorporation:

| Date of Issue                   | Price per Security <sup>(1)</sup> | Number of Securities       |
|---------------------------------|-----------------------------------|----------------------------|
| March 16, 2022                  | \$0.005                           | 200 Common Shares          |
| May 30, 2022                    | \$0.005                           | 3,000,000 Common Shares    |
| June 10, 2022                   | \$0.02                            | 750,000 Common Shares      |
| August 15, 2022                 | \$0.02                            | 5,250,000 Common Shares    |
| January 17, 2023 <sup>(2)</sup> | \$0.05                            | 2,400,000 Units            |
| January 31, 2023 <sup>(3)</sup> | \$0.05                            | 4,800,000 Units            |
| July 13, 2023                   | \$0.10                            | 2,589,496 Special Warrants |

**Notes:**

- (1) All prior sales have been for cash.
- (2) Each unit issued through the January 17, 2023 private placement consists of one (1) Common Share and one (1) Warrant. Each Warrant entitles the holder to purchase, for a period of thirty-six (36) months from the Listing Date, one additional Common Share at an exercise price of \$0.10 per Common Share.
- (3) Each unit issued through the January 31, 2023 private placement consist of one (1) Common Share and one (1) Warrant. Each Warrant entitles the holder to purchase, for a period of thirty-six (36) months from the Listing Date, one (1) additional Common Share at an exercise price of \$0.10 per Common Share.
- (4) Each Special Warrant entitles the holder to acquire, without further payment, one unit, each to be composed of one (1) SW Share and one (1) SW Warrant, each SW Warrant exercisable into Warrant Share at an exercise price of \$0.20 for three (3) years from the date the Company's shares commence trading on the Canadian Securities Exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which the Receipt for a final prospectus to qualify the distribution of the SW Shares and SW Warrants is received by the Company from the British Columbia Securities Commission; and (b) five (5) months from the Closing Date.

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

Pursuant to the Escrow Agreement, the Common Shares subject to contractual restriction and escrow are as shown in the following table:

| Designation of class | Number of securities held in escrow or that are subject to a contractual restriction on transfer | Percentage of class  |
|----------------------|--------------------------------------------------------------------------------------------------|----------------------|
| Common Shares        | 3,000,200 <sup>(1)</sup>                                                                         | 16.0% <sup>(2)</sup> |

**Notes:**

- (1) These Common Shares are held under the Escrow Agreement in accordance with NP 46-201. The Escrow Agent is Endeavor Trust Corporation. 1,500,100 of these Common Shares are held by James Hedalen and 1,500,100 of these Common Shares are held by Rory Ritchie.
- (2) Based on 18,789,696 Common Shares issued and outstanding following the exercise of all the Special Warrants on an undiluted basis.

#### **Escrow Agreement**

NP 46-201 provides that all shares of an issuer owned or controlled by its Principals will be escrowed at the time of the issuer's initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to Principals of exchange listed issuers, differing only according to the classification of the issuer. As the Company anticipates that its Common Shares will be listed on the Exchange, it will be classified as an "emerging issuer". As such, the following automatic timed releases will apply to the securities held by its Principals:

| <b>Date of Automatic Timed Release</b> | <b>Amount of Escrowed Securities Released</b> |
|----------------------------------------|-----------------------------------------------|
| On the Listing Date                    | 1/10 of the escrowed securities               |
| 6 months after the Listing Date        | 1/6 of the remaining escrowed securities      |
| 12 months after the Listing Date       | 1/5 of the remaining escrowed securities      |
| 18 months after the Listing Date       | 1/4 of the remaining escrowed securities      |
| 24 months after the Listing Date       | 1/3 of the remaining escrowed securities      |
| 30 months after the Listing Date       | 1/2 of the remaining escrowed securities      |
| 36 months after the Listing Date       | The remaining escrowed securities             |

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

The automatic timed release provisions under NP 46-201 pertaining to “established issuers” provide that 25% of each Principal’s and shareholder’s escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over eighteen months. If, within eighteen months of the Listing Date, the Company meets the “established issuer” criteria as set out in NP 46-201, the escrowed securities will be eligible for accelerated release available for established issuers. In such a scenario, that number of escrowed securities that would have been eligible for release from escrow if the Company had been an “established issuer” on the Listing Date will be immediately released from escrow. The remaining escrowed securities would be released in accordance with the timed release provisions for established issuers, with all escrowed securities being released eighteen months from the Listing Date.

Pursuant to the terms of the Escrow Agreement, 3,000,200 Common Shares will be held in escrow on the Listing Date.

### **PRINCIPAL SECURITYHOLDERS**

To the knowledge of the directors and officers of the Company, as of the date of this Prospectus, (i) no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the currently outstanding Common Shares and (ii) assuming the exercise of the Special Warrants, no person beneficially will own or exercise control or direction over Common Shares carrying more than 10% of the votes attached to then outstanding Common Shares.

## DIRECTORS AND EXECUTIVE OFFICERS

### Name, Occupation and Security Holdings

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

| Name and Municipality of Residence and Position with the Company                                   | Director/Officer Since | Principal Occupation                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly |                                                               |
|----------------------------------------------------------------------------------------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
|                                                                                                    |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | As at the Date of this Prospectus <sup>(1)</sup>                                                | Following the exercise of the Special Warrants <sup>(2)</sup> |
| James Hedalen <sup>(3)</sup><br>Vancouver, BC<br><br><i>Chief Executive Officer and Director</i>   | March 16, 2022         | Mr. Hedalen has been serving as a director of Prosper Gold Corp., a public company listed on the TSX Venture Exchange, since May 10, 2021, and has served as its Chief Operating Officer since May, 2016.                                                                                                                                                                                                                                                                                     | 1,500,100<br>(9.3%)                                                                             | 1,500,100<br>(8.0%)                                           |
| Meetul Patel<br>Surrey, BC<br><br><i>Chief Financial Officer, Corporate Secretary and Director</i> | August 14, 2022        | Mr. Patel has worked in capital markets for the past three years, previously as a Senior Accountant at KPMG LLP. His responsibilities included financial planning and analysis, tax, and audit. He also held prior audit positions at various entities including at the Canada Revenue Agency.<br><br>Mr. Patel received a Bachelor of Business Administration (Hons) degree from Simon Fraser University in 2015 and obtained his Chartered Professional Accountant designation at KPMG LLP. | Nil                                                                                             | 2,000<br>(0.0%)                                               |
| Rory Ritchie <sup>(3) (4)</sup><br>North Vancouver, BC<br><br><i>Director</i>                      | March 16, 2022         | Mr. Ritchie was the Vice-President of Exploration and a Director for Pacific Empire Minerals Corp., a public company listed on the TSX Venture Exchange, from July 2012 until November 2020. Mr. Ritchie has also been the Vice President – Exploration of Prosper Gold Corp since December 2020.                                                                                                                                                                                             | 1,500,100<br>(9.3%)                                                                             | 1,500,100<br>(8.0%)                                           |

| Name and Municipality of Residence and Position with the Company          | Director/Officer Since | Principal Occupation                                                                                                                                                                                                                                                                                                                                                                    | Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly |                                                               |
|---------------------------------------------------------------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
|                                                                           |                        |                                                                                                                                                                                                                                                                                                                                                                                         | As at the Date of this Prospectus <sup>(1)</sup>                                                | Following the exercise of the Special Warrants <sup>(2)</sup> |
| Ramninder Lidder <sup>(3)(4)</sup><br>Kamloops, BC<br><br><i>Director</i> | May 2, 2023            | Mr. Lidder has over 10 years of experience in accounting and audit, formerly working as a Senior Internal Auditor at Glentel where his responsibilities included financial planning, analysis and internal audit affairs. Mr. Lidder received a Bachelor of Commerce degree from Thompson Rivers University and obtained his Chartered Professional Accountant designation at KPMG LLP. | Nil                                                                                             | 5,000<br>(0.0%)                                               |

**Notes:**

- (1) Percentage is based on 16,200,200 Common Shares issued and outstanding as of the date of this Prospectus.
- (2) Percentage is based on 18,789,696 Common Shares issued and outstanding following the exercise of all the Special Warrants on an undiluted basis.
- (3) Denotes a member of the Audit Committee of the Company.
- (4) Denotes an independent director.

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Company's directors. None of the Company's directors or executive officers have entered into non-competition or non-disclosure agreements with the Company.

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 3,000,200 Common Shares, which is equal to 18.5 % of the Common Shares issued and outstanding as at the date hereof.

Following the exercise of all the Special Warrants, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 3,007,200 Common Shares of the Company, which is equal to 16.0% of the Common Shares issued and outstanding following the exercise of all the Special Warrants.

## Background

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date hereof, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

*James Hedalen – Director and Chief Executive Officer, 42 years old*

Mr. Hedalen has been serving as a director of Prosper Gold Corp., a public company listed on the TSX Venture Exchange, since May 10, 2021, and has served as its Chief Operating Officer since May 2016.

As the Chief Executive Officer of the Company, Mr. Hedalen is responsible for the day-to-day operations, outside contractors and service providers, acquisitions and project development, and of the financial operations of the Company in conjunction with the Chief Financial Officer and with outside accounting, tax and auditor support. Mr.



Hedalen expects to devote approximately 50% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as CEO. Mr. Hedalen is not an employee of the Company but is an independent consultant of the Company. Mr. Hedalen has not entered into a non-competition or non-disclosure agreement with the Company.

*Rory Ritchie – Director, 41 years old*

Mr. Ritchie was the Vice-President of Exploration and a Director for Pacific Empire Minerals Corp., a public company listed on the TSX Venture Exchange, from July 2012 until November 2020. Mr. Ritchie has also been the Vice President – Exploration of Prosper Gold Corp since December 2020.

Mr. Ritchie expects to devote approximately 10% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as a Director. Mr. Ritchie is neither an employee nor an independent consultant of the Company. Mr. Ritchie has not entered into a non-competition or non-disclosure agreement with the Company.

*Meetul Patel – Director, Chief Financial Officer and Corporate Secretary, 30 years old*

Mr. Patel has worked in capital markets for the past three years, previously as a Senior Accountant at KPMG LLP. His responsibilities included financial planning and analysis, tax, and audit. He also held prior audit positions at various entities including at the Canada Revenue Agency.

Mr. Patel received a Bachelor of Business Administration (Hons) degree from Simon Fraser University in 2015 and obtained his Chartered Professional Accountant designation at KPMG LLP.

As the Chief Financial Officer and Corporate of the Company, Mr. Patel is responsible for coordination of the financial operations and corporate secretarial matters of the Company in conjunction with the Chief Executive Officer and with outside accounting, tax and auditing firms. Mr. Patel expects to devote approximately 25% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as a CFO and Corporate Secretary. Mr. Patel is not an employee of the Company but is an independent consultant of the Company. The Patel Agreement pursuant to which Mr. Patel provides his services as CFO and Corporate Secretary contains non-compete and non-disclosure (confidentiality) clauses.

*Ramninder Lidder – Director, 32 years old*

Mr. Lidder has over 10 years of experience in accounting and audit, formerly working as a Senior Internal Auditor at Glentel where his responsibilities included financial planning, analysis and internal audit affairs. Mr. Lidder received a Bachelor of Commerce degree from Thompson Rivers University and obtained his Chartered Professional Accountant designation at KPMG LLP.

Mr. Lidder expects to devote approximately 10% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as a Director. Mr. Lidder is neither an employee nor an independent consultant of the Company. Mr. Lidder has not entered into a non-competition or non-disclosure agreement with the Company.

### **Corporate Cease Trade Orders**

Except as disclosed herein, no director or executive officer of the Company is, as at the date of this Prospectus, or was within ten years before the date hereof, a director, Chief Executive Officer or Chief Financial Officer of any company, including the Company, that:

- (i) was subject to a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a

period for more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or

- (ii) was subject to an a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than 30 consecutive days, 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.

### **Penalties or Sanctions**

No director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

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

### **Bankruptcies**

Except as disclosed herein, no director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

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

Rory Ritchie made a consumer proposal (the “**Consumer Proposal**”) with certain creditors, filed on February 28, 2019, which was then settled on August 23, 2022. The Consumer Proposal was fully discharged on November 4, 2022.

### **Conflicts of Interest**

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

To the best of the Company’s knowledge there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

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

## **EXECUTIVE COMPENSATION**

The Company was not a reporting issuer at any time during the fiscal period commencing March 16, 2022 and ended January 31, 2023, the Company's most recently completed financial year. Accordingly, and in accordance with Form 51-102F6 *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”), the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to Named Executive Officers of the Company, once the Company becomes a reporting issuer, to the extent this compensation has been determined.

For the purposes hereof, the term Named Executive Officer, or NEO, means each Chief Executive Officer, each Chief Financial Officer and the Company's most highly compensated executive officer, other than the Chief Executive Officer and the Chief Financial Officer, who was serving as an executive officer as at the end of the Company's most recently completed financial year and whose total compensation exceeds \$150,000 and any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the Company's most recently completed financial year. For the fiscal year ended January 31, 2023, the Company's NEOs were James Hedalen and Meetul Patel.

### **Compensation Discussion and Analysis**

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the board of directors.

Pursuant to a consulting agreement dated November 14, 2023 between the Company and Mr. Patel (the “**Patel Agreement**”), the Company pays Mr. Patel a monthly fee of \$2,500 in connection with his duties as Chief Financial Officer and Corporate Secretary of the Company.

With a view to minimizing its cash expenditures not directed at the exploration of the Property, the Company does not intend to pay a material amount of compensation to management for the next 12 months. However, this policy will be re-evaluated periodically. The Company expects to grant incentive stock options to the Named Executive Officers and its non-executive directors, under a stock option plan to be adopted subsequent to listing on the Exchange in the amounts and on terms to be determined by the Board at that time.

### **Option Based Awards**

The Company does not have a stock option plan and has not granted any stock options to its NEOs.

### **Defined Benefit Plans**

The Company does not have any defined benefit or actuarial plan.

### **Termination and Change of Control Benefits**

The Company does not have any contracts, agreements, plans or arrangements in place with any NEOs that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Company or a change in an NEOs responsibilities.

## Director Compensation

The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. As with the Named Executive Officers, the Board intends to compensate directors primarily through the grant of stock options, under a stock option plan to be adopted subsequent to listing on the Exchange, and reimbursement of expenses incurred by such persons acting as directors of the Company.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

### Aggregate Indebtedness

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5 *Information Circular* (“Form 51-102F5”), no directors, executive officers and employees and no former directors, executive officers and employees of the Company are or were indebted to the Company in connection with a purchase of securities and all other indebtedness as at the date of this Prospectus.

### Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no directors or executive officers of the Company, and associates of such directors or executive officers are or were indebted to the Company as at the date of this Prospectus.

## AUDIT COMMITTEE AND CORPORATE GOVERNANCE

### Audit Committee

The Audit Committee’s role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-110F2 require the Company, as an IPO venture issuer, to disclose certain information relating to the Company’s audit committee and its relationship with the Company’s independent auditors.

### Audit Committee Charter

The text of the Audit Committee’s charter is attached as Schedule “A” to this Prospectus.

### Composition of Audit Committee

The members of the Company’s Audit Committee are:

|                      |                                |                                     |
|----------------------|--------------------------------|-------------------------------------|
| Rory Ritchie (Chair) | Independent <sup>(1)</sup>     | Financially literate <sup>(2)</sup> |
| James Hedalen        | Not Independent <sup>(1)</sup> | Financially literate <sup>(2)</sup> |
| Ramninder Lidder     | Independent <sup>(1)</sup>     | Financially literate <sup>(2)</sup> |

#### Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. Mr. Hedalen is not independent, as Mr. Hedalen is the Chief Executive Officer of the Company.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

## Relevant Education and Experience

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

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

See "Directors and Executive Officers" for further details of each audit committee member's relevant education and experience.

## Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4, 6.1.1(4), (5), or (6) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

## External Auditor Service Fees

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

| Financial Year End | Audit Fees | Audit Related Fees <sup>(1)</sup> | Tax Fees <sup>(2)</sup> | All other Fees <sup>(3)</sup> |
|--------------------|------------|-----------------------------------|-------------------------|-------------------------------|
| January 31, 2023   | \$12,000   | \$nil                             | \$nil                   | \$nil                         |

### Notes:

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

## Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which states that the Company, as an IPO Venture Issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

## CORPORATE GOVERNANCE

### General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. NP 58-201 provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, NI 58-101 prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

### Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. The Board is comprised of four directors: James Hedalen, Rory Ritchie, Meetul Patel and Ramninder Lidder. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

Mr. Hedalen is not independent, as he is the Chief Executive Officer of the Company and Mr. Patel is not independent, as he is the Chief Financial Officer and Corporate Secretary of the Company.

### Directorships

Currently, the following directors are also directors of the following other reporting issuers:

|                  |                                                                                               |
|------------------|-----------------------------------------------------------------------------------------------|
| James Hedalen    | Prosper Gold Corp (TSX-V)                                                                     |
| Rory Ritchie     | N/A                                                                                           |
| Meetul Patel     | Way of Will Inc. (CSE); Rex Resources Corp. (TSX-V); and Spirit Blockchain Capital Inc. (CSE) |
| Ramninder Lidder | N/A                                                                                           |

### Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and any public disclosure filings by the Company, as may be applicable. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

### Ethical Business Conduct

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

### Nomination of Directors

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

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

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

### **Other Board Committees**

The Board has no committees other than the Audit Committee.

### **Assessments**

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

## **PLAN OF DISTRIBUTION**

This Prospectus qualifies the distribution of 2,589,496 Special Warrants, and the SW Shares and SW Warrants underlying the Special Warrants, to be issued, without additional payment, upon the exercise or deemed exercise of 2,589,496 Special Warrants.

No securities are being offered or sold pursuant to this Prospectus. This Prospectus is being filed by the Company with its overseeing regulators. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and no agent or underwriter is involved.

### **Listing of Common Shares**

The Company has applied to list its issued and outstanding Common Shares and all other Common Shares issuable by the Company as described in this Prospectus, on the Exchange. Listing of the Common Shares will be subject to the Company fulfilling all the listing requirements of the Exchange. The Special Warrants will not be listed on the Exchange.

### **IPO Venture Issuer**

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

## **RISK FACTORS**

### **General**

The Company is in the business of exploring and, if warranted, developing mineral properties, which is a highly speculative endeavor. A purchase of any securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in securities of the Company should not constitute a significant portion of an individual’s investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective Subscribers should carefully evaluate the following risk factors associated with an investment in the Company’s securities prior to purchasing securities of the Company.



## **Limited Operating History**

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties in which the Company has an interest. The purpose of the Special Warrants Private Placement was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of minerals will be discovered on any properties in which the Company has an interest in the near future or at all. If the Company does not generate revenue or is unable to raise further funds, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

## **Speculative Nature of Mineral Exploration**

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

## **Financing Risks**

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. The Company's unallocated working capital is not sufficient to fund a follow-on Phase 2 exploration program on the Property and there is no assurance that the Company can successfully obtain additional financing to fund a Phase 2 program.

While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Special Warrants Private Placement. At present it is impossible to determine what amounts of additional funds, if any, may be required.

## **Property Interests**

If the Company loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the Property could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

## **Commercial Ore Deposits**

The Property is in the exploration stage only and is without a known body of commercial ore. Development of the Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

## **Uninsurable Risks**

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

## **Permits and Government Regulations**

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Property.

## **Environmental and Safety Regulations and Risks**

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

## **Management**

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

## **Key Person Insurance**

The Company does not maintain key person insurance on any of its directors or officers, and as result the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

## **Mineral Titles**

The Company is satisfied that evidence of title to the Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Property. The Company may face challenges to the title of the Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

## **Aboriginal Title**

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

On June 26, 2014, the Supreme Court of Canada (the "SCC") released a decision in *Tsilhqot'in Nation v. British Columbia* (the "**William Decision**"), pursuant to which the SCC upheld the First Nations' claim to Aboriginal title and rights over a large area of land in central British Columbia, including rights to decide how the land will be used, occupancy and economic benefits. The court ruling held that while the provincial government had the constitutional authority to regulate certain activity on aboriginal title lands, it had not adequately consulted with the Tsilhqot'in. The SCC also held that provincial laws of general application apply to land held under Aboriginal title if the laws are not unreasonable, impose no undue hardship, and do not deny the Aboriginal title holders their preferred means of exercising their rights. The Company will continue to manage its operations within the existing legal framework while paying close attention to the direction provided by the Courts regarding the application of this ruling.

## **Fluctuating Mineral Prices**

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, including as a result of the significant market reaction to COVID-19. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

## **Competition**

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

## **Negative Cash Flows From Operations**

For the period from March 16, 2022 to January 31, 2023, the Company sustained net losses from operations and had negative cash flow from operating activities of \$127,492. The Company continues to have negative operating cash flow. It is possible the Company may have negative cash flow in any future period and as a result, the Company may need to use available cash, including proceeds from the Private Placements and any future financings to fund any such negative cash flow.

## **Resale of Common Shares**

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

## **Community Groups**

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations (“NGOs”) who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company’s business, financial condition, results of operations, cash flows or prospects.

## **Price Volatility of Publicly Traded Securities**

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in executing on its business plan, creating revenues, cash flows or earnings. The value of the Common Shares will be affected by such volatility. There is currently no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after the Listing Date. If an active public market for the Common Shares does not develop, the liquidity of a shareholder’s investment may be limited and the share price may decline below the price at which the Special Warrant were issued.

## **Conflicts of Interest**

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia *Business Corporations Act*. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors’ duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

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

## **Tax Issues**

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

## **Dividend**

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

## **PROMOTER**

James Hedalen may be considered to be the Promoter of the Company in that he took the initiative in organizing the business of the Company.

No person who was a Promoter of the Company:

1. received anything of value directly or indirectly from the Company;
2. sold or otherwise transferred any asset to the Company within the last 2 years;
3. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;
4. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;
5. is as of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 or receiver manager or trustee appointed to hold its assets;
6. has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person;
7. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
8. has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
9. has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

## LEGAL PROCEEDINGS

### Legal Proceedings

The Company is not currently a party to any legal proceedings, nor is the Company currently contemplating any legal proceedings. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

### Regulatory Actions

From incorporation to the date of this Prospectus, management knows of no:

- (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;
- (ii) other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and
- (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as noted below and in this Prospectus, from incorporation to the date of this Prospectus, none of the following persons or companies has had any material interest, direct or indirect, in any transaction which has materially affected or is reasonably expected to materially affect the Company:

- (a) any director or executive officer of the Company;
- (b) any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class or series of the Company's outstanding voting securities; and
- (c) any associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

In June 2022, Rory Ritchie, a director of the Company, transferred the 8 mining claims comprising the Property to the Company for aggregate consideration of \$1.

## AUDITORS

The auditor of the Company is Shim & Associates LLP, of Suite 900 – 777 Hornby Street, Vancouver, BC V6Z 1S4.

## REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Company is Endeavor Trust Corporation, at #720-777 Hornby Street, Vancouver, BC V6Z 1S4.

## MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company from incorporation to the date of this Prospectus which are currently in effect and considered to be currently material:



1. The Registrar and Transfer Agent Agreement dated December 11, 2023; and
2. The Escrow Agreement dated December 12, 2023.

Copies of the material contracts will be available under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca) upon the issuance of the final receipt for this Prospectus.

## **EXPERTS**

### **Names of Experts**

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

The Technical Report was prepared by Sean Butler, P.Geo.. Mr. Butler has no interest in the Company, the Company's securities or the Property.

Shim & Associates LLP, auditor of the Company, who prepared the independent auditor's report on the Company's audited financial statements included in and forming part of this Prospectus, has informed the Company that it is independent of the Company within the meaning of the code of professional conduct of the Chartered Professional Accountants of British Columbia.

### **Interests of Experts**

None of the persons set out under the heading "*Experts – Names of Experts*" have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

## **OTHER MATERIAL FACTS**

There are no other material facts about the securities being distributed pursuant to this the Special Warrants Private Placement that are not disclosed under any other items and are necessary in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares to be distributed.

## **RIGHTS OF WITHDRAWAL AND RESCISSION**

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

## **FINANCIAL STATEMENTS**

Audited financial statements of the Company for the period commencing March 16, 2022 and ended January 31, 2023 and unaudited financial statements of the Company for the three and six months ended July 31, 2023 are included in this Prospectus as Schedule "B".

## SCHEDULE “A”

### Audit Committee Charter

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board of Directors in lieu thereof (the “**Audit Committee**”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

#### Composition

- *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- The members of the Committee will be appointed by the board of directors of the Company (“**Board**”) annually at the first meeting of the Board following the annual meeting of the shareholders, to serve until the next annual meeting of shareholders or until their successors are duly appointed.
- *Chair.* The Board will designate one member to act as chair of the Audit Committee (the “**Chair**”) or, if it fails to do so, the members of the Audit Committee will appoint the Chair among its members.
- *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

#### Meetings

- *Meetings and Quorum.* The Audit Committee will meet at least quarterly, with the authority to convene additional meetings as circumstances require. A majority of the members of the Audit Committee will constitute a quorum.
- *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- *In Camera Sessions.* The Audit Committee will, when appropriate, hold in camera sessions without management present.
- *Minutes.* The Audit Committee will keep minutes of its meetings which will be available for review by the Board. The Audit Committee may appoint any person who need not be a member, to act as the secretary at any meeting. The Audit Committee may invite such officers, directors and employees of the Company and such other advisors and persons as it may see fit, from time to time, to attend at meetings of the Audit Committee.

#### Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

##### External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

#### Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company and related MD&A, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements and related MD&A, and recommend their approval by the Board.
- (c) *Public Disclosure.* review the annual and interim financial statements and related MD&A, news releases that contain significant financial information that has not previously been released to the public, and any other public disclosure documents that are required to be reviewed by the Audit Committee under any applicable laws and satisfy itself that the documents do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made before the Corporation publicly discloses this information.
- (d) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

#### Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (b) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.

- (c) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (e) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

### Complaints

- (a) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (b) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

### **Authority**

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

### **Reporting**

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.

**SCHEDULE “B”**

**FINANCIAL STATEMENTS FOR THE PERIOD COMMENCING MARCH 16, 2022 AND ENDED JANUARY 31,  
2023 AND THE THREE AND SIX MONTHS ENDED JULY 31, 2023**

**[See attached]**

# **Kobrea Exploration Corp.**

Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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**SHIM & Associates LLP**  
**Chartered Professional Accountants**  
Suite 900 – 777 Hornby Street  
Vancouver, B.C. V6Z 1S4  
T: 604 559 3511 | F: 604 559 3501

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Kobrea Exploration Corp.

### Opinion

We have audited the accompanying financial statements of Kobrea Exploration Corp. (the "Company"), which comprise the statement of financial position as at January 31, 2023, and the statement of net and comprehensive loss, changes in shareholders' equity and cash flows for the period from the date of incorporation on March 16, 2022 to January 31, 2023 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 January 31, 2023, and its financial performance and cash flows for the period from the date of incorporation on March 16, 2022 to January 31, 2023 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

### Basis for Opinion

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

### Material Uncertainty Related to Going Concern

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the period from the date of incorporation on March 16, 2022 to January 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matters described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditors' report.

### Other Information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

***“SHIM & Associates LLP”***

**CHARTERED PROFESSIONAL ACCOUNTANTS**

Vancouver, Canada

August 4, 2023

# Kobrea Exploration Corp.

Statement of Financial Position  
(Expressed in Canadian Dollars)

|                                                   | January 31,<br>2023 |
|---------------------------------------------------|---------------------|
|                                                   | \$                  |
| <b>ASSETS</b>                                     |                     |
| <b>Current</b>                                    |                     |
| Cash and cash equivalents                         | 367,507             |
|                                                   | 367,507             |
| Mineral property (note 4)                         | 1                   |
| <b>Total assets</b>                               | <b>367,508</b>      |
| <b>LIABILITIES</b>                                |                     |
| <b>Current</b>                                    |                     |
| Accounts payable and accrued liabilities          | 55,995              |
| Total liabilities                                 | 55,995              |
| <b>SHAREHOLDERS' EQUITY</b>                       |                     |
| Share capital (note 6)                            | 495,000             |
| Deficit                                           | (183,487)           |
| Total shareholders' equity                        | 311,513             |
| <b>Total liabilities and shareholders' equity</b> | <b>367,508</b>      |

Nature of business and going concern (note 1)  
Subsequent event (note 10)

Approved and authorized for issuance on behalf of the Board of Directors on August 4, 2023 by:

*"James Hedalen"*

James Hedalen, Director

*"Rory Ritchie"*

Rory Ritchie, Director

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

**Kobrea Exploration Corp.**  
Statement of Net and Comprehensive Loss  
(Expressed in Canadian Dollars)

|                                                                             | <b>For the period from<br/>March 16, 2022 to<br/>January 31, 2023</b> |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------|
|                                                                             | <b>\$</b>                                                             |
| <b>Expenses</b>                                                             |                                                                       |
| Bank charges and interests                                                  | 839                                                                   |
| Exploration and evaluation costs (note 4)                                   | 100,976                                                               |
| Management fees                                                             | 62,000                                                                |
| Professional fees                                                           | 19,672                                                                |
| <b>Net and comprehensive loss</b>                                           | <b>183,487</b>                                                        |
| Loss per common share<br>– basic and diluted                                | <b>(0.03)</b>                                                         |
| Weighted average number of common shares<br>outstanding – basic and diluted | <b>5,717,022</b>                                                      |

The accompanying notes form an integral part of these financial statements

## Kobrea Exploration Corp.

Statement of Changes in Shareholders' Equity  
(Expressed in Canadian Dollars)

|                                                    | Number of<br>Shares | Share<br>Capital<br>\$ | Deficit<br>\$    | Total<br>Shareholders'<br>Equity<br>\$ |
|----------------------------------------------------|---------------------|------------------------|------------------|----------------------------------------|
| Balance, March 16, 2022<br>(Date of Incorporation) | -                   | -                      | -                | -                                      |
| Issuance of common shares                          | 16,200,200          | 495,000                | -                | 495,000                                |
| Loss for the period                                | -                   | -                      | (183,487)        | (183,487)                              |
| <b>Balance, January 31, 2023</b>                   | <b>16,200,200</b>   | <b>495,000</b>         | <b>(183,487)</b> | <b>311,513</b>                         |

The accompanying notes form an integral part of these financial statements

# Kobrea Exploration Corp.

Statement of Cash Flows

(Expressed in Canadian Dollars)

|                                          | For the period from<br>March 16, 2022 to<br>January 31, 2023<br>\$ |
|------------------------------------------|--------------------------------------------------------------------|
| <b>OPERATING ACTIVITIES</b>              |                                                                    |
| Net loss                                 | (183,487)                                                          |
| Changes in non-cash working capital:     |                                                                    |
| Accounts payable and accrued liabilities | 55,995                                                             |
|                                          | (127,492)                                                          |
| <b>INVESTING ACTIVITIES</b>              |                                                                    |
| Mineral property acquisition costs       | (1)                                                                |
|                                          | (1)                                                                |
| <b>FINANCING ACTIVITIES</b>              |                                                                    |
| Proceeds from common share issuances     | 495,000                                                            |
|                                          | 495,000                                                            |
| Change in cash                           | 367,507                                                            |
| Cash, beginning of period                | -                                                                  |
| Cash, end of period                      | 367,507                                                            |

The accompanying notes form an integral part of these financial statements



# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 1. NATURE OF BUSINESS AND GOING CONCERN

Kobrea Exploration Corp. (the “Company”) was incorporated on March 16, 2022 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia). The principal business of the Company is the acquisition, exploration and evaluation of resource properties. The head office and registered and records office of the Company is located at Suite 330 – 890 West Pender Street, Vancouver, British Columbia V6C 1L9.

These financial statements have been prepared on a going concern basis, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred a loss of \$183,487 during the period from incorporation on March 16, 2022 to January 31, 2023 and has working capital as at January 31, 2023 of \$311,512, and has accumulated deficit as at January 31, 2023 of \$183,487. The Company does not earn revenue and is reliant on share issuances for its funding. There is no assurance that sufficient funding (including adequate financing) will be available to conduct its business. These factors present a material uncertainty over the Company’s ability to continue as a going concern. The application of the going concern concept is dependent upon the Company’s ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern.

### *Global outbreak of COVID-19*

In March 2020 there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

## 2. BASIS OF PRESENTATION

### ***Statement of compliance***

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These financial statements were reviewed, approved and authorized for issuance by the Company’s Board of Directors on August 4, 2023.

### ***Basis of presentation***

These financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 3. SIGNIFICANT ACCOUNTING POLICIES

### ***Significant estimates and assumptions***

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

### ***Significant judgments***

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

### ***Mineral property***

#### (i) Exploration and evaluation

Staking costs, property option payments, and other costs associated with acquiring exploration and evaluation assets are capitalized and classified as intangible assets, whereas exploration and evaluation expenditures are recognized as expenses as they are incurred during the period. Exploration and evaluation expenditures include costs of conducting geological and geophysical surveys, equipment rental, geochemical analysis, mapping and interpretation, and costs to obtain legal rights to explore an area.

Management reviews the carrying value of capitalized exploration costs annually. The review is based on the Company's intentions for development of the undeveloped property.

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

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Mineral property (continued)*

#### (ii) Development

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

The costs of removing overburden to access ore are capitalized as pre-production stripping costs and classified as a component of property, plant and equipment.

#### (iii) Impairment

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

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

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

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

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Mineral property (continued)*

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

#### (iv) Provision for environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or straight-line method. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

### *Cash and cash equivalents*

The Company considered all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

### *Share capital*

The Company's common shares, special warrants, share purchase warrants and stock options are classified as equity instruments. Transaction costs directly attributable to the issue of common shares and special warrants are recognized as a deduction from equity as share issue costs, net of any tax effects. Common shares issued for consideration other than cash are valued based on their fair value at the date the shares are issued.

Share issue costs and other legal fees related to and incurred in advance of share subscriptions are recorded as deferred financing costs. Share issue costs related to uncompleted share subscriptions are charged to profit or loss.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. Under this method, the unit price is compared to the price of common shares in a concurred financing or to the market share price. The proceeds are first allocated to the share capital and any residual value is allocated to contributed surplus.

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### ***Flow-through shares***

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow through share arrangements are renounced to investors in accordance with Canadian tax legislation.

On issuance, the Company allocates the flow through share proceeds into: (i) share capital, (ii) flow through share premium, if any, and (iii) warrants, if any, using the residual value method. The premium recorded on the flow through share is recognized as a liability on the statement of financial position. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

### ***Share-based payments***

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. When vested options are forfeited or are not exercised at the expiry date, the amount previously recognized is transferred to deficit. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

### ***Loss per share***

Basic earnings (loss) per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

### ***Income taxes***

#### ***Current income tax***

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Income tax (continued)*

evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### *Deferred income tax*

Deferred income tax is based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

### *Provisions*

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of economic resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation.

### *Financial instruments*

The Company recognizes financial assets and financial liabilities at fair value on the date the Company becomes a party to the contractual provisions of the instruments.

The Company classifies its financial assets into the following categories: fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI"), or amortized cost.

The Company classifies its financial liabilities at amortized cost. Financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method. Interest expense is recorded to profit or loss.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (an irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or accumulated other comprehensive income (loss).

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Financial instruments (continued)*

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company's financial assets and financial liabilities are classified and measured as follows:

| Asset/Liability                          | Measurement Category |
|------------------------------------------|----------------------|
| Cash                                     | Amortized cost       |
| Accounts payable and accrued liabilities | Amortized cost       |

### *Standards issued but not yet effective*

Certain pronouncements have been issued by the IASB or IFRIC that are effective for future accounting periods. These updates are not applicable or consequential to the Company and have been omitted from discussion herein.

## 4. MINERAL PROPERTY

### *Upland Copper Property, Barriere, British Columbia, Canada*

The Company acquired the Upland property, located in Barriere, British Columbia, Canada consisting of eight mineral claims, through staking, for a total consideration of \$1. During the period ended January 31, 2023, the Company incurred \$100,976 of exploration and evaluation expenditures on this property that have been recognized as expenses in the statement of net and comprehensive loss.

## 5. RELATED PARTY TRANSACTIONS

### *Key management compensation*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The Company entered into the following transactions with related parties during the period ended January 31, 2023.

|                 | <b>For the period from March 16,<br/>2022 to January 31, 2023</b> |
|-----------------|-------------------------------------------------------------------|
|                 | <b>\$</b>                                                         |
| Management fees | 62,000                                                            |
|                 | <b>62,000</b>                                                     |

As at January 31, 2023, accounts payable and accrued liabilities include \$42,000 due to related parties.



# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 6. SHARE CAPITAL

### a. Authorized

Unlimited number of common shares without par value.

As at January 31, 2023, the Company had 16,200,200 common shares issued and outstanding.

### b. Issued and outstanding

During the period from incorporation on March 16, 2022 to January 31, 2023, the Company completed the following transactions:

- i) On March 16, 2022, 200 common shares were issued to the incorporators of the Company for a nominal amount.
- ii) On May 30, 2022, the Company issued 3,000,000 common shares at \$0.005 per share for gross proceeds of \$15,000.
- iii) On June 10, 2022, the Company issued 750,000 flow-through shares at \$0.02 per flow-through share for gross proceeds of \$15,000. Full proceeds were allocated to share capital under residual value method.
- iv) On August 15, 2022, the Company issued 2,500,000 non-flow-through shares at \$0.02 per non-flow-through share for gross proceeds of \$50,000. Concurrently, the Company issued 2,750,000 flow-through shares at \$0.02 per flow-through share for gross proceeds of \$55,000. Full proceeds were allocated to share capital under residual value method.
- v) On January 17, 2023, the Company closed a non-brokered private placement of 2,400,000 units at \$0.05 per unit for gross proceeds of \$120,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase, for a period of thirty-six (36) months from the date on which the common shares of the Company begin to trade on the Canadian Securities Exchange (the "Listing Date"), one common share at a price of \$0.10 per share. Full proceeds were allocated to share capital under residual value method.
- vi) On January 31, 2023, the Company closed a non-brokered private placement of 4,800,000 units at \$0.05 per unit for gross proceeds of \$240,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase, for a period of thirty-six (36) months from the Listing Date, one common share at a price of \$0.10 per share. Full proceeds were allocated to share capital under residual value method.

### c. Share purchase warrants

On January 17, 2023, the Company issued 2,400,000 warrants with units in a private placement. The warrants are exercisable at \$0.10 for a period of 36 months from the Listing Date. No value was allocated to these warrants under residual value method.

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

## 6. SHARE CAPITAL (continued)

### c. Share purchase warrants (continued)

On January 31, 2023, the Company issued 4,800,000 warrants with units in a private placement. The warrants are exercisable at \$0.10 for a period of 36 months from the Listing Date. No value was allocated to these warrants under residual value method.

As at January 31, 2023, the following share purchase warrants were outstanding:

| Number of warrants | Exercise price | Expiry date                     |
|--------------------|----------------|---------------------------------|
| 2,400,000          | \$0.10         | 36 months from the Listing Date |
| 4,800,000          | \$0.10         | 36 months from the Listing Date |
| 7,200,000          | \$0.10         |                                 |

## 7. INCOME TAXES

A reconciliation of combined federal and provincial corporate income taxes of statutory rates of 27% and the Company's effective income tax expense is as follows:

|                                            | 2023      |
|--------------------------------------------|-----------|
|                                            | \$        |
| Loss before income taxes                   | (183,487) |
| Combined federal and provincial rate       | 27%       |
| Expected income tax recovery               | (49,541)  |
| Change in unrecognized deferred tax assets | 49,541    |
|                                            | -         |

The significant components of the Company's deferred tax assets are as follows:

|                                         | 2023     |
|-----------------------------------------|----------|
|                                         | \$       |
| Non-capital losses                      | 22,278   |
| Mineral properties                      | 27,263   |
|                                         | 49,541   |
| Unrecognized deferred income tax assets | (49,541) |
|                                         | -        |

The Company has not recorded deferred tax assets related to these unused non-capital loss carryforwards as it is not probable that future taxable income will be available to utilize these losses.

As at January 31, 2023, the Company has non-capital losses for income tax purposes of approximately \$82,511 available for utilization in future years, subject to the final determination by taxation authorities, expiring in 2043, if unused.

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, accounts payable and accrued liabilities.

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.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and 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 carrying values of cash, accounts payable and accrued liabilities approximate their fair values due to the expected maturity of these financial instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

### *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

### *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 objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### (a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty. The Company is not exposed to significant interest rate risk as the Company has no variable interest-bearing debt.

#### (b) Foreign currency risk

Currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

# Kobrea Exploration Corp.

Notes to the Financial Statements

For the period from incorporation on March 16, 2022 to January 31, 2023

(Expressed in Canadian Dollars)

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## 8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

### (c) Price risk

Price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

## 9. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its future liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The Company currently is not subject to externally imposed capital requirements.

## 10. SUBSEQUENT EVENT

On July 13, 2023, investors subscribed to 2,589,496 special warrants at a price of \$0.10 per special warrant convertible into units for total proceeds of \$258,950. Each unit will be comprised of one common share (each, an "Underlying Share") and one share purchase warrant (each, a "Warrant"). Each Warrant will be exercisable into one Underlying Share at an exercise price of \$0.20 expiring in three (3) years from the Listing Date.

**Kobrea Exploration Corp.**

Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

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# Kobrea Exploration Corp.

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# Kobrea Exploration Corp.

Condensed Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian Dollars)

|                                                   | July 31,<br>2023<br>\$ | January 31,<br>2023<br>\$<br>(Audited) |
|---------------------------------------------------|------------------------|----------------------------------------|
| <b>ASSETS</b>                                     |                        |                                        |
| <b>Current</b>                                    |                        |                                        |
| Cash and cash equivalents                         | 555,910                | 367,507                                |
|                                                   | 555,910                | 367,507                                |
| Mineral property (note 4)                         | 1                      | 1                                      |
| <b>Total assets</b>                               | <b>555,911</b>         | <b>367,508</b>                         |
| <b>LIABILITIES</b>                                |                        |                                        |
| <b>Current</b>                                    |                        |                                        |
| Accounts payable and accrued liabilities          | 20,550                 | 55,995                                 |
| Total liabilities                                 | 20,550                 | 55,995                                 |
| <b>SHAREHOLDERS' EQUITY</b>                       |                        |                                        |
| Share capital (note 6)                            | 495,000                | 495,000                                |
| Special warrants (note 6)                         | 258,946                | -                                      |
| Deficit                                           | (218,585)              | (183,487)                              |
| Total shareholders' equity                        | 535,361                | 311,513                                |
| <b>Total liabilities and shareholders' equity</b> | <b>555,911</b>         | <b>367,508</b>                         |

Nature of business and going concern (note 1)

Approved and authorized for issuance on behalf of the Board of Directors on November 9, 2023 by:

*"James Hedalen"*

James Hedalen, Director

*"Rory Ritchie"*

Rory Ritchie, Director

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

## Kobrea Exploration Corp.

Condensed Interim Statements of Net and Comprehensive Loss

(Unaudited)

(Expressed in Canadian Dollars)

|                                                                             | Three Months<br>Ended July 31,<br>2023<br>\$ | Six Months<br>Ended July 31,<br>2023<br>\$ | March 16, 2022<br>(Incorporation) to<br>January 31, 2023<br>\$<br>(Audited) |
|-----------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------|
| <b>Expenses</b>                                                             |                                              |                                            |                                                                             |
| Bank charges and interests                                                  | 138                                          | 367                                        | 839                                                                         |
| Exploration and evaluation costs (note 4)                                   | -                                            | 5,822                                      | 100,976                                                                     |
| Management fees (note 5)                                                    | 7,500                                        | 15,045                                     | 62,000                                                                      |
| Office expenses                                                             | 286                                          | 514                                        | -                                                                           |
| Professional fees                                                           | 4,000                                        | 13,350                                     | 19,672                                                                      |
| <b>Net and comprehensive loss</b>                                           | <b>11,924</b>                                | <b>35,098</b>                              | <b>183,487</b>                                                              |
| Loss per common share<br>– basic and diluted                                | <b>(0.00)</b>                                | <b>(0.00)</b>                              | <b>(0.03)</b>                                                               |
| Weighted average number of common<br>shares outstanding – basic and diluted | <b>16,200,200</b>                            | <b>16,200,200</b>                          | <b>5,717,022</b>                                                            |

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



## Kobrea Exploration Corp.

Condensed Interim Statement of Changes in Shareholders' Equity

(Unaudited)

(Expressed in Canadian Dollars)

|                                                    | Number of<br>Shares | Share<br>Capital<br>\$ | Special<br>Warrants<br>\$ | Deficit<br>\$    | Total<br>Shareholders'<br>Equity<br>\$ |
|----------------------------------------------------|---------------------|------------------------|---------------------------|------------------|----------------------------------------|
| Balance, March 16, 2022 (date of<br>incorporation) | -                   | -                      | -                         | -                | -                                      |
| Issuance of common shares                          | 16,200,200          | 495,000                | -                         | -                | 495,000                                |
| Loss for the period                                | -                   | -                      | -                         | (183,487)        | (183,487)                              |
| <b>Balance, January 31, 2023</b>                   | <b>16,200,200</b>   | <b>495,000</b>         | <b>-</b>                  | <b>(183,487)</b> | <b>311,513</b>                         |
| Issuance of special warrants                       | -                   | -                      | 258,946                   | -                | 258,946                                |
| Loss for the period                                | -                   | -                      | -                         | (35,098)         | (35,098)                               |
| <b>Balance, July 31, 2023</b>                      | <b>16,200,200</b>   | <b>495,000</b>         | <b>258,946</b>            | <b>(218,585)</b> | <b>535,361</b>                         |

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

# Kobrea Exploration Corp.

Condensed Interim Statements of Cash Flows  
(Unaudited)  
(Expressed in Canadian Dollars)

|                                          | Six Months Ended<br>July 31, 2023<br>\$ | March 16, 2022<br>(Incorporation) to<br>January 31, 2023<br>\$<br>(Audited) |
|------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------|
| <b>OPERATING ACTIVITIES</b>              |                                         |                                                                             |
| Net loss                                 | (35,098)                                | (183,487)                                                                   |
| Changes in non-cash working capital:     |                                         |                                                                             |
| Accounts payable and accrued liabilities | (35,445)                                | 55,995                                                                      |
|                                          | (70,543)                                | (127,492)                                                                   |
| <b>INVESTING ACTIVITIES</b>              |                                         |                                                                             |
| Mineral property acquisition costs       | -                                       | (1)                                                                         |
|                                          | -                                       | (1)                                                                         |
| <b>FINANCING ACTIVITIES</b>              |                                         |                                                                             |
| Proceeds from common share issuances     | -                                       | 495,000                                                                     |
| Proceeds from special warrants issuances | 258,946                                 | -                                                                           |
|                                          | 258,946                                 | 495,000                                                                     |
| Change in cash                           | 188,403                                 | 367,507                                                                     |
| Cash, beginning of period                | 367,507                                 | -                                                                           |
| Cash, end of period                      | 555,910                                 | 367,507                                                                     |

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

# Kobrea Exploration Corp.

Notes to the Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

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## 1. NATURE OF BUSINESS AND GOING CONCERN

Kobrea Exploration Corp. (the "Company") was incorporated on March 16, 2022 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia). The principal business of the Company is the acquisition, exploration and evaluation of resource properties. The head office and registered and records office of the Company is located at Suite 330 – 890 West Pender Street, Vancouver, British Columbia V6C 1L9.

These condensed interim financial statements have been prepared on a going concern basis, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred a loss of \$35,098 during the six months ended July 31, 2023 and has working capital as at July 31, 2023 of \$535,360, and has accumulated deficit as at July 31, 2023 of \$258,946. The Company does not earn revenue and is reliant on share issuances for its funding. There is no assurance that sufficient funding (including adequate financing) will be available to conduct its business. These factors present a material uncertainty over the Company's ability to continue as a going concern. The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern.

## 2. BASIS OF PRESENTATION

### *Statement of compliance*

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements do not include all necessary disclosures required in an annual financial statements and, as such, should be read in conjunction with the Company's annual financial statements for the period from incorporation on March 16, 2022 to January 31, 2023.

### *Basis of presentation*

These unaudited condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. The accounting policies have been applied consistently throughout the entire period presented in these unaudited condensed interim financial statements.

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

# Kobrea Exploration Corp.

Notes to the Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

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## 3. SIGNIFICANT ACCOUNTING POLICIES

### Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

### Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

#### Going Concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless Management either intends to liquidate the entity or has no realistic alternative but to do so.

In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, Management concluded that, while material uncertainties exist, the going concern basis of accounting is appropriate based on its cash flow forecasts and access to replacement financing for the future twelve months.

### Changes in Accounting Policies

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date later than February 1, 2023. These updates are not currently relevant to the Company or are not expected to have a material impact on these unaudited condensed interim financial statements and are therefore not discussed herein.

# Kobrea Exploration Corp.

Notes to the Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

## 4. MINERAL PROPERTY

### *Upland Copper Property, Barriere, British Columbia, Canada*

The Company acquired from Rory Ritchie, a director of the Company, the Upland property, located in Barriere, British Columbia, Canada consisting of eight mineral claims, for a total consideration of \$1 (Note 5). As Mr. Ritchie is a director of the Company, the acquisition of the Upland property was a related party transaction. During the six months ended July 31, 2023, the Company incurred \$5,822 (For the period from incorporation on March 16, 2022 to January 31, 2023 - \$100,976) of exploration and evaluation expenditures on this property that have been recognized as expenses in the statements of net and comprehensive loss.

## 5. RELATED PARTY TRANSACTIONS

### *Key management compensation*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The Company entered into the following transactions with related parties.

|                                                            | <b>For the six months<br/>ended July 31, 2023</b> | <b>For the period from<br/>March 16, 2022 to<br/>January 31, 2023</b> |
|------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------|
|                                                            | <b>\$</b>                                         | <b>\$</b>                                                             |
| Property Acquisition                                       |                                                   | 1                                                                     |
| Management fees paid to Meetul Patel, the<br>Company's CFO | 15,045                                            | 62,000                                                                |
| Subscription fees                                          | 200                                               |                                                                       |
|                                                            | <b>15,245</b>                                     | <b>62,001</b>                                                         |

During the period from incorporation on March 16, 2022 to January 31, 2023, the Company acquired from Rory Ritchie, a director of the Company and as such a related party, the Upland property, located in Barriere, British Columbia, Canada consisting of eight mineral claims, for a total consideration of \$1 (Note 4).

On July 13, 2023, Meetul Patel, the Company's CFO, subscribed for 1,000 special warrants, and 1260806 B.C. Ltd., a company wholly-owned and controlled by Mr. Patel, subscribed for 1,000 special warrants. As such, the two subscriptions for an aggregate of 2,000 special warrants for \$200 were related party transactions (Note 6).

As at July 31, 2023, accounts payable and accrued liabilities include \$nil (January 31, 2023 - \$42,000) due to related parties.

# Kobrea Exploration Corp.

Notes to the Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

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## 6. SHARE CAPITAL

### a. Authorized

Unlimited number of common shares without par value.

As at July 31, 2023, the Company had 16,200,200 (January 31, 2023 - 16,200,200) common shares issued and outstanding.

### b. Issued and outstanding

During the six months ended July 31, 2023, the Company did not have any share activity.

During the period from incorporation on March 16, 2022 to January 31, 2023, the Company completed the following transactions:

- i) On March 16, 2022, 200 common shares were issued to the incorporators of the Company for a nominal amount.
- ii) On May 30, 2022, the Company issued 3,000,000 common shares at \$0.005 per share for gross proceeds of \$15,000.
- iii) On June 10, 2022, the Company issued 750,000 flow-through shares at \$0.02 per flow-through share for gross proceeds of \$15,000. Full proceeds were allocated to share capital under residual value method.
- iv) On August 15, 2022, the Company issued 2,500,000 non-flow-through shares at \$0.02 per non-flow-through share for gross proceeds of \$50,000. Concurrently, the Company issued 2,750,000 flow-through shares at \$0.02 per flow-through share for gross proceeds of \$55,000. Full proceeds were allocated to share capital under residual value method.
- v) On January 17, 2023, the Company closed a non-brokered private placement of 2,400,000 units at \$0.05 per unit for gross proceeds of \$120,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.10 per share until January 17, 2026. Full proceeds were allocated to share capital under residual value method.
- vi) On January 31, 2023, the Company closed a non-brokered private placement of 4,800,000 units at \$0.05 per unit for gross proceeds of \$240,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.10 per share until January 31, 2026. Full proceeds were allocated to share capital under residual value method.

# Kobrea Exploration Corp.

Notes to the Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

## c. Share purchase warrants

On January 17, 2023, the Company issued 2,400,000 warrants with units in a private placement. The warrants are exercisable at \$0.10 for a period of 36 months. No value was allocated to these warrants under residual value method.

On January 31, 2023, the Company issued 4,800,000 warrants with units in a private placement. The warrants are exercisable at \$0.10 for a period of 36 months. No value was allocated to these warrants under residual value method.

As at July 31, 2023 and January 31, 2023, the following share purchase warrants were outstanding:

| Number of warrants | Exercise price | Expiry date      |
|--------------------|----------------|------------------|
| 2,400,000          | \$0.10         | January 17, 2026 |
| 4,800,000          | \$0.10         | January 31, 2026 |
| 7,200,000          | \$0.10         |                  |

## d. Special warrants

On July 13, 2023, the Company issued 2,589,497 special warrants at \$0.10 per special warrant convertible into units for gross proceeds of \$258,946. Each unit comprises of one common share and one share purchase warrant, with each share purchase warrant is exercisable into one common share at an price of \$0.20 for three years. All special warrants are exercisable at any time from the date of issuance until the earlier of: (i) the third business day after the date on which the final prospectus is filed; and (ii) December 13, 2023. Meetul Patel, a director of the Company, subscribed for 1,000 special warrants, and 1260806 B.C. Ltd., a company wholly-owned and controlled by Mr. Patel, subscribed for 1,000 special warrants. As such, the two subscriptions for an aggregate of 2,000 special warrants for \$200 were related party transactions.

## 7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at July 31, 2023 and January 31, 2023, the Company's financial instruments consist of cash, accounts payable and accrued liabilities.

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.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and 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).

# Kobrea Exploration Corp.

Notes to the Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

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The carrying values of cash, accounts payable and accrued liabilities approximate their fair values due to the expected maturity of these financial instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

### *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

## **7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

### *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 objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### (a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty. The Company is not exposed to significant interest rate risk as the Company has no variable interest-bearing debt.

#### (b) Foreign currency risk

Currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

#### (c) Price risk

Price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

## **8. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its future liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The Company currently is



## **Kobrea Exploration Corp.**

Notes to the Condensed Interim Financial Statements

For the three and six months ended July 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

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not subject to externally imposed capital requirements. There were no changes to the Company's approach to capital management during the six months ended July 31, 2023.

**SCHEDULE “C”**

**MANAGEMENT’S DISCUSSION & ANALYSIS FOR THE PERIOD COMMENCING MARCH 16, 2022  
AND ENDED JANUARY 31, 2023 AND THE THREE AND SIX MONTHS ENDED JULY 31, 2023**

**[See attached]**

**Kobrea Exploration Corp.**

**Management's Discussion and Analysis  
For the period from incorporation on March 16, 2022 to January 31, 2023**

**Prepared as of August 4, 2023**

## ***Management's Discussion and Analysis***

### **For the period from incorporation on March 16, 2022 to January 31, 2023**

The following management's discussion and analysis ("MD&A") has been prepared by Management. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited annual financial statements and related notes thereto for the period from incorporation on March 16, 2022, to January 31, 2023 of Kobre Exploration Corp. (the "Company") and notes thereto. The information provided herein supplements but does not form part of the financial statements. This discussion covers the period from incorporation on March 16, 2022, to January 31, 2023 and the subsequent period up to the date of issue of this MD&A. Unless otherwise noted, all dollar amounts are stated in Canadian dollars.

The Company's audited annual financial statements for the period from incorporation on March 16, 2022 to January 31, 2023, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A is intended to help the reader understand the Company, its operations, financial performance, current and future business environment and opportunities and risks facing the Company. Certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in Appendix 1 of this MD&A.

### **Description of Business and Overview**

Kobre Exploration Corp. (the "Company") was incorporated on March 16, 2022 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia). The principal business of the Company is the acquisition, exploration and evaluation of resource properties. The head office and registered and records office of the Company is located at Suite 330 – 890 West Pender Street, Vancouver, British Columbia V6C 1L9.

The Company has not commenced commercial operations. At present, the Company has no current operating income. Without additional financing, the Company may not be able to fund its ongoing operations and complete its development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

### **General Development of the Business**

The Company is a resource exploration company focused on the acquisition, evaluation and exploration of mineral resource properties. To date, the Company has focused its exploration activities in the Province of British Columbia. The Company owns 8 mining claims located in Barriere, British Columbia, Canada.

The Company acquired the Upland property, located in Barriere, British Columbia, Canada consisting of eight mineral claims, through staking, for a total consideration of \$1 from Rory Ritchie, a director of the Company and as such a non-arm's length party . During the period ended January 31, 2023, the Company incurred \$100,976 of exploration and evaluation expenditures on this property that have been recognized as expenses in the statement of net and comprehensive loss.

## Financial Results of Operations

### Selected Financial Information

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:

|                                          | Period from incorporation on March 16, 2022 to<br>January 31, 2023 |
|------------------------------------------|--------------------------------------------------------------------|
| Total revenue                            | \$Nil                                                              |
| Net Loss                                 | \$183,487                                                          |
| Loss per common share, basic and diluted | \$0.03                                                             |
| Total assets                             | \$367,508                                                          |
| Long term debt                           | \$Nil                                                              |
| Dividends paid/payable                   | \$Nil                                                              |

### Quarterly Financial Results

| Quarter ended                                | January 31, 2023 | Oct 31, 2022 | July 31, 2022 | April 30, 2022 |
|----------------------------------------------|------------------|--------------|---------------|----------------|
| Cash                                         | \$367,507        | \$103,835    | \$61,746      | \$3,485        |
| Net loss                                     | \$72,323         | \$97,910     | \$12,739      | \$515          |
| Shares outstanding                           | 16,200,200       | 9,000,200    | 3,750,200     | 200            |
| Loss per common share<br>(basic and diluted) | \$0.01           | \$0.01       | \$0.01        | \$2.58         |

The net loss for the period from incorporation on March 16, 2022 to April 30, 2022 was mainly a result of exploration and evaluation fees of \$509 related to a miner certificate expense.

The net loss for the quarter ended July 31, 2022 was mainly a result of exploration and evaluation fees of \$12,717 related to surveying.

The net loss for the quarter ended October 31, 2022 was mainly a result of exploration and evaluation costs of \$85,076 related to the Upland property and management fees of \$12,500.

The net loss for the quarter ended January 31, 2023 was mainly a result of \$7,672 related to legal fees for advisory services related to capital markets, management fees of \$49,500, and \$2,674 of exploration and evaluation expenditures related to the Upland property.

## Results of Operations

### Period from incorporation on March 16, 2022 to January 31, 2023

The Company incurred a net loss of \$183,487 for the period ended January 31, 2023. The loss can be attributed mainly to exploration costs, management fees, and legal fees.

For the period ended January 31, 2023, the Company incurred exploration and evaluation costs of \$100,976. Costs incurred were for fees incurred for magnetic surveying, technical report preparation, site visits and field related costs for the period ended January 31, 2023.

For the period ended January 31, 2023, the Company accrued accounting and audit fees of \$12,000, purely for audit fees for the period from incorporation on March 16, 2022 to January 31, 2023.

For the period ended January 31, 2023, the Company incurred legal fees of \$7,672. Costs incurred were for advisory services related to capital markets.

## Liquidity and Capital Resources

### Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

At January 31, 2023, the Company had working capital<sup>(1)</sup> of \$311,512 which included cash of \$367,507 available to meet short-term business requirements and liabilities of \$55,995. The Company's accounts payable and accrued liabilities have contractual maturities of less than 90 days and are subject to normal trade terms. The Company has no long-term debt.

<sup>(1)</sup> Non-GAAP Financial Measure:

The Company uses "working capital" to assess liquidity and general financial strength and is calculated as current assets less current liabilities. Working capital does not have any standardized meaning prescribed by IFRS and is referred to as a "Non-GAAP Financial Measure." It is unlikely for Non-GAAP Financial Measures to be comparable to similar measures presented by other companies. Working capital is calculated as current assets (January 31, 2023 – \$367,507), less current liabilities (January 31, 2023 – \$55,995).

At present, the Company has no current operating income. Without additional future financing, the Company may not be able to fund its ongoing operations and complete future development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

### Current year financing

During the period ended January 31, 2023, the Company completed the following transactions:

- i) On March 16, 2022, 200 common shares were issued to the incorporator of the Company for a nominal amount.
- ii) On May 30, 2022, the Company issued 3,000,000 common shares at \$0.005 per share for gross proceeds of \$15,000.
- iii) On June 10, 2022, the Company issued 750,000 flow-through shares at \$0.02 per flow-through share for gross proceeds of \$15,000. Full proceeds were allocated to share capital under residual value method.
- iv) On August 15, 2022, the Company issued 2,500,000 non-flow-through shares at \$0.02 per non-flow-through share for gross proceeds of \$50,000. Concurrently, the Company issued 2,750,000 flow-through shares at \$0.02 per flow-through share for gross proceeds of \$55,000. Full proceeds were allocated to share capital under residual value method.
- v) On January 17, 2023, the Company closed a non-brokered private placement of 2,400,000

units at \$0.05 per unit for gross proceeds of \$120,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase, for a period of thirty-six (36) months from the date on which the common shares of the Company begin to trade on the Canadian Securities Exchange (the “Listing Date”), one common share at a price of \$0.10 per share. Full proceeds were allocated to share capital under residual value method.

- vi) On January 31, 2023, the Company closed a non-brokered private placement of 4,800,000 units at \$0.05 per unit for gross proceeds of \$240,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase, for a period of thirty-six (36) months from the Listing Date, one common share at a price of \$0.10 per share. Full proceeds were allocated to share capital under residual value method.

### Outstanding Share Data

As at January 31, 2023 and the date of this report, the Company had 16,200,200 issued and outstanding common shares, and 7,200,000 share purchase warrants outstanding.

As at the date of this report, the Company had 2,589,496 special warrants convertible into units, each of which will be comprised of one common share and one share purchase warrant.

### Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

### Transactions with Related Parties

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

The Company entered into the following transactions with related parties during the period ended January 31, 2023.

|                                                                    | <b>For the period from March 16,<br/>2022 to January 31,<br/>2023</b> |               |
|--------------------------------------------------------------------|-----------------------------------------------------------------------|---------------|
| Property Acquisitions from Rory Ritchie, a Director of the Company | \$                                                                    | 1             |
| Management fees paid to the Company's CFO, Meetul Patel            | \$                                                                    | 20,000        |
| Management fees paid to the Company's CEO, James Hedalen           | \$                                                                    | 21,000        |
| Management fees paid to Rory Ritchie, a Director of the Company    | \$                                                                    | 21,000        |
|                                                                    |                                                                       | <b>62,001</b> |

During the period from incorporation on March 16, 2022 to January 31, 2023, the Company acquired from Rory Ritchie, a director of the Company, the Upland property, located in Barriere, British Columbia, Canada consisting of eight mineral claims, for a total consideration of \$1.

As at January 31, 2023, accounts payable and accrued liabilities included \$42,000 due to related parties of which \$21,000 is due to James Hedalen, the CEO of the Company, and \$21,000 is due to Rory Ritchie, a Director of the Company, as one-time payments. \$20,000 was paid to Meetul Patel, the CFO of the Company, for services rendered to the Company.

## Subsequent Event

On July 13, 2023, investors subscribed to 2,589,496 special warrants at a price of \$0.10 per special warrant convertible into units for total proceeds of \$258,950. Each unit will be comprised of one common share (each, an "Underlying Share") and one share purchase warrant (each, a "Warrant"). Each Warrant will be exercisable into one Underlying Share at an exercise price of \$0.20 expiring in three (3) years from the Listing Date.

## Critical Accounting Estimates and Judgments

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

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

Significant areas requiring the use of management estimates and judgments include:

### *Going concern*

The assessment of whether the concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

### *Accounting Policies*

The Company's significant accounting policies are disclosed in note 3 of the Company's audited financial statements for the period from incorporation on March 16, 2022 to January 31, 2023.

## Financial Instruments

The Company's financial instruments as at January 31, 2023 include cash, accounts payable and accrued liabilities.

The Company's financial assets and financial liabilities are classified and measured as follows:

| Financial instrument                     | Category       |
|------------------------------------------|----------------|
| Cash                                     | Amortized cost |
| Accounts payable and accrued liabilities | Amortized cost |

The carrying values of cash, accounts payable and accrued liabilities approximate their fair values due to the expected maturity of these financial instruments.



The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

(b) 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 objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

As at January 31, 2023, the Company has cash of \$367,507 available to apply against short-term business requirements and current liabilities of \$55,995.

(c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty. The Company is not exposed to significant interest rate risk as the Company has no variable interest-bearing debt.

(e) Foreign currency risk

Currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(f) Price risk

Price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

## Management's responsibility for financial statements

The information provided in this report, including the financial statements is the responsibility of Management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the accompanying financial statements.

On behalf of Management and the Board of Directors,

"James Hedalen"  
Director

## APPENDIX 1

### Cautionary Note Regarding Forward-Looking Statements

This MD&A contains “forward-looking statements”. Forward-looking statements reflect the Company’s current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions, including those discussed elsewhere in this MD&A. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as “intends”, “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “anticipates” or “does not anticipate”, or “believes”, or various of such words and phrases or state certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ. Such factors include, among others, risks related to actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in minerals resources, grade or recovery rates, accidents, labour disputes, title disputes and other risks of the mining industry, fluctuation of currency exchange rates, delays in obtaining, or inability to obtain, required governmental approvals or financing or in the completion of development or construction activities, claims limitations on insurance coverage, as well as other factors discussed under “Risk Factors”. Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained in this MD&A are made as of the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligations to update forward-looking statements, except as required by applicable law.

**Kobrea Exploration Corp.**

**Management's Discussion and Analysis  
For the three and six months ended July 31, 2023**

**Prepared as of November 9, 2023**

## ***Management's Discussion and Analysis***

**For the three and six months ended July 31, 2023, prepared as of November 9, 2023**

The following management's discussion and analysis ("MD&A") has been prepared by Management. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited financial statements of Kobre Exploration Corp. (the "Company") for the period from incorporation on March 16, 2022 to January 31, 2023 and notes thereto. The information provided herein supplements but does not form part of the financial statements. This discussion covers the six months ended July 31, 2023 and the subsequent period up to the date of issue of this MD&A. Unless otherwise noted, all dollar amounts are stated in Canadian dollars.

The Company's audited financial statements for the period from incorporation on March 16, 2022 to January 31, 2023, and the unaudited condensed interim financial statements for the three and six months ended July 31, 2023, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A is intended to help the reader understand the Company, its operations, financial performance, current and future business environment and opportunities and risks facing the Company. Certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in Appendix 1 of this MD&A.

### **Description of Business and Overview**

Kobre Exploration Corp. (the "Company") was incorporated on March 16, 2022 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia). The principal business of the Company is the acquisition, exploration and evaluation of resource properties. The head office and registered and records office of the Company is located at Suite 330 – 890 West Pender Street, Vancouver, British Columbia V6C 1L9.

The Company has not commenced commercial operations. At present, the Company has no current operating income. Without additional financing, the Company may not be able to fund its ongoing operations and complete its development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

### **General Development of the Business**

The Company is a resource exploration company focused on the acquisition, evaluation and exploration of mineral resource properties. To date, the Company has focused its exploration activities in the Province of British Columbia. The Company owns 8 mining claims located in Barriere, British Columbia, Canada.

The Company acquired from Rory Ritchie, a director of the Company and as such a non-arm's length party, the Upland property, located in Barriere, British Columbia, Canada consisting of eight mineral claims, for a total consideration of \$1. During the six months ended July 31, 2023, the Company incurred \$5,822 (For the period from incorporation on March 16, 2022 to January 31, 2023 - \$100,976) of exploration and evaluation expenditures on this property that have been recognized as expenses in the statements of net and comprehensive loss.

## Financial Results of Operations

### Quarterly Financial Results

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:

| Quarter ended                                | July 31, 2022 | April 30, 2023 | January 31, 2023 | Oct 31, 2022 | July 31, 2022 |
|----------------------------------------------|---------------|----------------|------------------|--------------|---------------|
| Cash                                         | \$555,910     | \$330,538      | \$367,507        | \$103,835    | \$61,746      |
| Net loss                                     | \$11,924      | \$23,174       | \$72,323         | \$97,910     | \$12,739      |
| Shares outstanding                           | 16,200,200    | 16,200,200     | 16,200,200       | 9,000,200    | 3,750,200     |
| Loss per common share<br>(basic and diluted) | \$0.00        | \$0.00         | \$0.01           | \$0.01       | \$0.01        |

The net loss for the quarter ended July 31, 2022 was mainly a result of exploration and evaluation fees of \$12,717 related to surveying.

The net loss for the quarter ended October 31, 2022 was mainly a result of exploration and evaluation costs of \$85,076 related to the Upland property and management fees of \$12,500.

The net loss for the quarter ended January 31, 2023 was mainly a result of \$7,672 related to legal fees for advisory services related to capital markets, management fees of \$49,500, and \$2,674 of exploration and evaluation expenditures related to the Upland property.

The net loss for the quarter ended April 30, 2023, was mainly a result of \$7,545 in management fees, \$5,822 of exploration and evaluation expenditures related to the Upland property and \$5,350 related to legal fees for advisory services related to capital markets.

The net loss for the quarter ended July 31, 2023, was mainly a result of \$7,500 in management fees and \$4,000 related to audit fees.

### Results of Operations

#### Three months ended July 31, 2023

The Company incurred a net loss of \$11,924 for the three months ended July 31, 2023 compared to a net loss of \$12,739 for the comparable period in 2022. The loss in 2023 can be attributed mainly to management fees and audit fees, as discussed above.

#### Six months ended July 31, 2023

The Company incurred a net loss of \$35,098 for the six months ended July 31, 2023 compared to a net loss of \$13,254 for the comparable period in 2022. The loss in 2023 can be attributed mainly to exploration fees, management fees, legal fees and other professional fees, as discussed above.

## Liquidity and Capital Resources

### Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

At July 31, 2023, the Company had working capital<sup>(1)</sup> of \$535,360 which included cash of \$555,910 available to meet short-term business requirements and liabilities of \$20,550. The Company's accounts payable and accrued liabilities have contractual maturities of less than 90 days and are subject to normal trade terms. The Company has no long-term debt.

<sup>(1)</sup> Non-GAAP Financial Measure:

The Company uses "working capital" to assess liquidity and general financial strength and is calculated as current assets less current liabilities. Working capital does not have any standardized meaning prescribed by IFRS and is referred to as a "Non-GAAP Financial Measure." It is unlikely for Non-GAAP Financial Measures to be comparable to similar measures presented by other companies. Working capital is calculated as current assets (July 31, 2023 – \$555,910), less current liabilities (July 31, 2023 – \$20,550).

At present, the Company has no current operating income. Without additional future financing, the Company may not be able to fund its ongoing operations and complete future development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

### Outstanding Share Data

As at July 31, 2023 and the date of this report, the Company had 16,200,200 issued and outstanding common shares and 7,200,000 share purchase warrants outstanding.

As at July 31, 2023 and the date of this report, the Company had 2,589,497 special warrants outstanding convertible into units, each of which will be comprised of one common share and one share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of \$0.20 expiring in three (3) years. During the six months ended July 31, 2023, the Company received total gross proceeds of \$258,497 from the issuance of special warrants.

### Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

### Transactions with Related Parties

The Company entered into the following transactions with related parties during the six months ended July 31, 2023.

|                      | For the six months<br>ended July 31, 2023 | For the period from<br>March 16, 2022 to<br>January 31, 2023 |
|----------------------|-------------------------------------------|--------------------------------------------------------------|
|                      | \$                                        | \$                                                           |
| Property Acquisition |                                           | 1                                                            |

|                                                                 |        |        |
|-----------------------------------------------------------------|--------|--------|
| Management fees paid to the Company's CFO, Meetul Patel         | 15,045 | 20,000 |
| Management fees paid to the Company's CEO, James Hedalen        |        | 21,000 |
| Management fees paid to Rory Ritchie, a Director of the Company |        | 21,000 |
| Subscription fees received                                      | 200    |        |
|                                                                 | 15,245 | 62,001 |

During the period from incorporation on March 16, 2022 to January 31, 2023, the Company acquired from Rory Ritchie, a director of the Company, the Upland property, located in Barriere, British Columbia, Canada consisting of eight mineral claims, for a total consideration of \$1.

The \$62,000 in management fees for the period from incorporation on March 16, 2022 to January 31, 2023 included two one-time payments of (i) approximately \$21,023 paid to Rory Ritchie, a director of the Company; and (ii) approximately \$21,023 paid to James Hedalen, the Company's CEO. The remainder was paid to Meetul Patel, the Company's CFO.

The \$15,045 in management fees for the interim period ended July 31, 2023 were paid to Meetul Patel, the Company's CFO, for services rendered to the Company.

On July 13, 2023, Meetul Patel, the Company's CFO, subscribed for 1,000 special warrants, and 1260806 B.C. Ltd., a company wholly-owned and controlled by Mr. Patel, subscribed for 1,000 special warrants. As such, the two subscriptions for an aggregate of 2,000 special warrants for \$200 were related party transactions.

As at July 31, 2023, accounts payable and accrued liabilities include \$nil (January 31, 2023 - \$42,000) due to related parties.

## **Critical Accounting Estimates and Judgments**

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

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

Significant areas requiring the use of management estimates and judgments include:

### *Going concern*

The assessment of whether the concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

### *Accounting Policies*

The Company's significant accounting policies are disclosed in note 3 of the Company's audited financial statements for the period from incorporation on March 16, 2022 to January 31, 2023. The accounting policies have been applied consistently throughout the six months ended July 31, 2023.

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date later than February 1, 2023.

## Financial Instruments

The Company's financial instruments as at July 31, 2023 include cash, accounts payable and accrued liabilities.

The Company's financial assets and financial liabilities are classified and measured as follows:

| Financial instrument                     | Category       |
|------------------------------------------|----------------|
| Cash                                     | Amortized cost |
| Accounts payable and accrued liabilities | Amortized cost |

The carrying values of cash, accounts payable and accrued liabilities approximate their fair values due to the expected maturity of these financial instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

(b) 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 objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

As at July 31, 2023, the Company has cash of \$555,910 available to apply against short-term business requirements and current liabilities of \$20,550.

(c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty. The Company is not exposed to significant interest rate risk as the Company has no variable interest-bearing debt.

(ii) Foreign currency risk

Currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(iii) Market price risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.



## **Management's responsibility for financial statements**

The information provided in this report, including the financial statements is the responsibility of Management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the accompanying financial statements.

On behalf of Management and the Board of Directors,

"James Hedalen"

Director

## **APPENDIX 1**

### **Cautionary Note Regarding Forward-Looking Statements**

This MD&A contains "forward-looking statements". Forward-looking statements reflect the Company's current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions, including those discussed elsewhere in this MD&A. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "anticipates" or "does not anticipate", or "believes", or various of such words and phrases or state certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ. Such factors include, among others, risks related to actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in minerals resources, grade or recovery rates, accidents, labour disputes, title disputes and other risks of the mining industry, fluctuation of currency exchange rates, delays in obtaining, or inability to obtain, required governmental approvals or financing or in the completion of development or construction activities, claims limitations on insurance coverage, as well as other factors discussed under "Risk Factors". Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained in this MD&A are made as of the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligations to update forward-looking statements, except as required by applicable law.

## CERTIFICATE OF THE COMPANY

**Date: December 14, 2023**

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

*/s/ James Hedalen*

James Hedalen  
Chief Executive Officer and Director

*/s/ Meetul Patel*

Meetul Patel  
Chief Financial Officer, Corporate Secretary and  
Director

## ON BEHALF OF THE BOARD OF DIRECTORS

*/s/ Rory Ritchie*

Rory Ritchie  
Director

*/s/ James Hedalen*

James Hedalen  
Chief Executive Officer and Director

*/s/ Meetul Patel*

Meetul Patel  
Chief Financial Officer, Corporate Secretary and  
Director

*/s/ Ramninder Lidder*

Ramninder Lidder  
Director

## CERTIFICATE OF THE PROMOTER

**Date: December 14, 2023**

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

*/s/ James Hedalen*

James Hedalen  
Promoter