A copy of this preliminary prospectus has been filed with the securities regulatory authorities in the Provinces of Alberta, British Columbia and Ontario but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

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.

PRELIMINARY PROSPECTUS

New Issue **July 31, 2023**

BGX - BLACK GOLD EXPLORATION CORP.

Suite 2400 – 1055 West Georgia Street
Vancouver, BC V6E 3P3

90,627 Common Shares on Exercise of 90,627 Outstanding Special Warrants

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This prospectus (the "**Prospectus**") qualifies the distribution of 90,627 common shares ("**SW Shares**") of BGX - Black Gold Exploration Corp. ("**BGX**" or the "**Company**") to be distributed, without additional payment, upon the exercise or deemed exercise of 90,627 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 26, 2023 (the "**Closing Date**"). Under the Special Warrant Private Placement, the Company issued an aggregate of 90,627 Special Warrants at a price of $1.50 per Special Warrant and received gross proceeds of $135,940.50 from the sale of the Special Warrants. Each Special Warrant entitles the holder to acquire, without further payment, one (1) SW Share and one (1) Common Share purchase warrant (an "**SW Warrant**") of the Company, with each SW Warrant exercisable into one (1) Common Share at an exercise price of $3.00 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 date on which a receipt (the "**Receipt**") for a final prospectus to qualify the distribution of the SW Shares is received by the Company from the British Columbia Securities Commission; and (b) the date that is four (4) months and one (1) day following the Closing Date. Upon exercise or deemed exercise of all the Special Warrants, and without additional payment therefor, the Company will issue 90,627 SW Shares.

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.

Concurrently with the filing of this Prospectus, the Company has applied to list its issued and outstanding common shares (the "**Common Shares**") and the SW Shares qualified under this Prospectus and all other Common Shares issuable as described in this Prospectus on the Canadian Securities Exchange (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 oil and gas 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, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

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 is located at Suite 2400 – 1055 West Georgia Street, Vancouver, BC, V6E 3P3. The Company's registered office is located at 6th Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6.

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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.

"**Acquisition Agreement**" means share purchase agreement among BGX, ICON, Marifil S.A., and Spinell, dated April 12, 2023, pursuant to which the Company acquired a 95% interest in Spinell.

"**Authors**" means Alexey Romanov, Ph.d., P.Geo, Suryanarayana Karri, P.Geoph, and Steven J.Golko, P.Eng, who prepared the report in accordance with NI 51-101.

"**Board**" means the Board of Directors of the Company.

"**Citadel**" means Citadel One Executive Consulting Inc.

"**Citadel Agreement**" has the meaning ascribed thereto under *Executive Compensation*.

"**Closing Date**" means July 26, 2023.

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

"**Company**" or "**BGX**" means BGX - Black Gold Exploration Corp.

"**El Carmen Report**" or "**Report**" means the report on the Property prepared for the Company by Sproule by the Authors, and reviewed and validated in accordance with the Professional Practice Management Plan of Sproule by Meghan Klein, P. Eng. (APEGA Permit # P-06151), with an effective date of July 15, 2023, prepared in accordance with NI 51-101.

"**Escrow Agreement**" means the NP 46-201 escrow agreement dated ♦ among the Transfer Agent, the Company and various Principals and shareholders of the Company.

"**Exchange**" means the Canadian Securities Exchange.

"**First Private Placement**" means, collectively, the non-brokered private placement financing by the Company completed on August 26, 2021 and consisting of an aggregate of 500,000 special warrants at a price of $0.05 per special warrant for gross proceeds of $25,000. Each special warrant was convertible into a unit of the Company comprised of one (1) Common Share and one (1) Common Share purchase warrant, with each warrant being exercisable into one (1) Common Share at a price of $0.05 for a period of five (5) years from the Listing Date. The special warrants were exercised into units of the Company on December 27, 2021.

"**Gulisano Agreement**" has the meaning ascribed thereto under *Executive Compensation*.

"**ICON**" means International Iconic Gold Exploration Corp.

"**ICON Escrow Agreement**" means the escrow agreement between ICON and the Company dated July 7, 2023.

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

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

"**NI 51-101**" means National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* 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 First Private Placement, the Second Private Placement, and the Special Warrant Private Placement, collectively.

“**Property**”, “**El Carmen Property**” or “**Mina El Carmen**” means the 25 claims comprising the El Carmen Property located in the province of Chubut, Argentina, about 30 km north of Comodoro Rivadavia city.

“**Prospectus**” means the preliminary or final prospectus with respect to the qualification of the distribution of the SW Shares, as the case may be.

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

“**Second Private Placement**” means the non-brokered private placement financing by the Company completed on September 30, 2021, and consisting of an aggregate of 2,050,000 special warrants at $0.20 per special warrant for gross proceeds of $410,000. Each special warrant was convertible into a unit of the Company comprised of one (1) Common Share and one (1) Common Share purchase warrant, with each warrant being exercisable into one (1) Common Share at a price of $0.20 for a period of five (5) years from the Listing Date. The special warrants were exercised into units on January 31, 2022.

“**Special Warrant Private Placement**” means the private placement closed by the Company on Closing Date of 90,627 Special Warrants at a price of $1.50 per Special Warrant for total gross proceeds of $135,940.50. Each Special Warrant is convertible into one (1) SW Share and one (1) SW Warrant.

“**Special Warrant**” means a special warrant issued by the Company entitling the holder the right to acquire, without additional payment, one (1) SW Share and one (1) SW Warrant for each Special Warrant held.

"**Spinell**" means Spinell Sociedad Anonima.

"**Sproule**" means Sproule International Limited.

"**SW Shares**" means the 90,627 Common Shares of the Company to be issued on exercise or deemed exercise of the Special Warrants.

"**SW Warrants**" means the 90,627 Warrants of the Company to be issued on exercise or deemed exercise of the Special Warrants, each exercisable into one (1) Common Share at the exercise price of $3.00 for a period of three (3) years from the Listing Date.

"**Transfer Agent**" means Endeavor Trust Corporation with an address Suite 1150 - 777 Hornby Street, Vancouver, BC, V6Z 1S4.

"**Warrant**" means a Common Share purchase warrant.

CURRENCY

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

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 oil and gas exploration industry; competitive conditions; expectations respecting executive compensation; involvement and impact of 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 exploration of oil and gas properties in Argentina. In particular, the Company's objective is to explore and, if warranted, develop the El Carmen Property. It is the intention of the Company to remain in the oil and gas 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:

Francisco Gulisano	Chief Executive Officer and Director
Maryam Amin Shanjani	Chief Financial Officer
Cindy Hernandez	Corporate Secretary
Roger Lui	Director
Michael Sato	Director

See "*Directors and Executive Officers*".

The Property: The Property is an exploration stage property that consists of twenty-five claims totaling approximately 2,001 hectares of land, located approximately 30km north of Comodoro Rivadavia city, Argentina. See "*The El Carmen Property*".

Special Warrants: This Prospectus is being filed to qualify the distribution in the Provinces of British Columbia, Alberta and Ontario of 90,627 Special Warrants, and the underlying SW Shares and SW Warrants, issuable to the holders of a total of 90,627 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) the date that is four (4) months and a day following the Closing Date.

The Special Warrants were issued by the Company on a private placement basis, and the Special Warrant Private Placement completed on July 26, 2023. The Special Warrants were issued at a price of $1.50 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 June 30, 2023, the most recent month end, excluding funds received in connection with the Special Warrant Private Placement as of such date, is approximately $326,886. The Company received net proceeds from the Special Warrant Private Placement of $135,941. The Company's available funds are therefore approximately $462,827. The expected principal purposes for which the available funds will be used are described below:

To pay for the exploration program expenditures on the Property(1)	$600,000
Initial Listing Fees(2)	$60,000
To pay for general and administrative costs for next 12 months	$250,000

Unallocated working capital (deficiency)	(447,174)
TOTAL:	**$462,827**

Notes:
1. See "*The El Carmen Property – Recommendations*". The exploration program expected cost is $600,000.
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 the: (i) audited interim financial statements of the Company for the six months ended June 30, 2023; and (ii) the audited financial statements of the Company financial year ended December 31, 2022, and the notes thereto 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 December 31.

	As at and for the six months ended June 30, 2023 ($) (unaudited)	**As at and for the financial year ended December 31, 2022 ($) (audited)**	**As at and for the financial year ended December 31, 2021 ($) (audited)**
Revenue	Nil	Nil	Nil
Total Expenses	66,041	35,312	6,409
Net loss and comprehensive loss for the period	(66,041)	(35,312)	(6,409)
Loss per share (basic and diluted)	(0.03)	(0.01)	(1.17)
Current Assets	1,186,209	1,232,233	432,124
Total Assets	1,186,209	1,232,233	432,124
Current Liabilities	859,323	839,306	3,885
Long Term Debt	Nil	Nil	Nil
Shareholders' Equity	326,886	392,927	428,239

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 oil or gas 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 oil and gas is subject to a high degree of variability and uncertainty; 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; 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 oil 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

The Company was incorporated under the *Business Corporations Act* (British Columbia) on December 21, 2020 under the name 1280582 B.C. Ltd. On February 24, 2021, the Company changed its name to BGX - Black Gold Exploration Corp. The Company's registered and records office is located at 6th Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6. The Company's head office is located at A201-9000 Bill Fox Way, Burnaby, BC V5J 5J3.

Inter-corporate Relationships

The Company has one subsidiary, Spinell Sociedad Anonima ("**Spinell**"), of which the Company owns 95% of the issued and outstanding shares.

DESCRIPTION OF THE BUSINESS

The Company is engaged in the business of oil and gas exploration and its objective is to locate and, if warranted, develop economic oil and gas properties.

The Company holds a 95% interest in Spinell, the owner of the twenty-five claims, totalling approximately 2,001 hectares, comprising the Property. The Company acquired its interest in Spinell through a share purchase agreement among the Company, International Iconic Gold Exploration Corp. ("**ICON**"), Marifil S.A., and Spinell (the "**Acquisition Agreement**"), dated April 12, 2023, which was negotiated on an arm's length basis.

Pursuant to the Acquisition Agreement, in exchange for a 95% interest in Spinell, the Company issued ICON 2,100,000 Common Shares. 2,000,000 of such shares are subject resale restrictions contemplated in an escrow agreement between ICON and the Company dated July 7, 2023 (the "**ICON Escrow Agreement**") whereby: (i) 1,000,000 Common Shares will be released upon gas being produced on the Property; and (ii) 1,000,000 Common Shares will be released upon the production of oil on the Property.

Stated Business Objectives

The Property is in the exploration stage. The Company intends to use its available funds to carry out the recommended exploration program for the Property, with an estimated budget of $600,000, as set out in the Report (defined herein). See "*The El Carmen Property – Recommendations*" and "*Use of Available Funds*".

The exploration, and if warranted, development of the Property may depend on specialized skills and knowledge that are applicable to the oil and gas industry. As of the date of this Prospectus, the Company has three consultants and no employees. The Company's leadership team is composed of the following: (i) Francisco Gulisano – Chief Executive Officer and Director; (ii) Maryam Amin Shanjani – Chief Financial Officer; (iii) Cindy Hernandez – Corporate Secretary; (iv) Roger Lui – Director; and (v) Michael Sato – Director.

The oil and exploration and development industry is very competitive. As an emerging issuer, the Company is subject to numerous competitive conditions such as a need for additional capital and the commercial viability of the Property.

History

Following incorporation, the Company was capitalized by completing the following Private Placements:

(i) the First Private Placement, completed on August 26, 2021, which raised \$25,000 through the issuance of 500,000 special warrants at a price of \$0.05 per special warrant. Each special warrant was convertible into a unit of the Company comprised of one (1) Common Share and one (1) Common Share purchase warrant, with each warrant being exercisable into one (1) Common Share at a price of \$0.05 per Common Share for a period of five (5) years from the Listing date. The special warrants all exercised on December 27, 2021;

(ii) the Second Private Placement, completed on September 30, 2021, which raised \$410,000 through the issuance of 2,050,000 special warrants at a price of \$0.20 per special warrant. Each special warrant was convertible into a unit of the Company comprised of one (1) Common Share and one (1) Common Share purchase warrant, with each warrant being exercisable into one (1) Common Share at a price of \$0.20 for a period of five (5) years from the Listing Date. The special warrants were all exercised on January 31, 2022;

(iii) the Special Warrant Private Placement, completed on July 26, 2023, which raised \$135,941 through the issuance of 90,627 special warrants at a price of \$1.50 per special warrant. Each special warrant is exercisable into units of the Company comprised of one (1) SW Share and one (1) SW Warrant, with each SW Warrant exercisable into one (1) Common Share at a price of \$3.00 for a period of three (3) from the Listing Date. Each special warrant will be deemed exercised on the date that is the earlier of: i) the third (3rd) business date on which the receipt for a final prospectus to qualify the distribution of Common Shares is received by the Company from the BCSC; and ii) four (4) months and a day following the Closing Date.

To date, funds raised from the Private Placements have been used to identify the Property and enter into the Acquisition Agreement, and for filing fees, professional expenses, regulatory expenses, and general working capital.

THE EL CARMEN PROPERTY

The technical information in this Prospectus with respect to the Property is derived from the report (the "**El Carmen Report**" or the "**Report**") on the Property prepared for the Company by Sproule International Limited ("**Sproule**") with an effective date of July 15, 2023, prepared in accordance with NI 51-101. The Report was prepared by Alexey Romanov, Ph.d., P.Geo, Suryanarayana Karri, P.Geoph, and Steven J.Golko, P.Eng (the "**Authors**"), and reviewed and validated in accordance with the Professional Practice Management Plan of Sproule by Meghan Klein, P. Eng. (APEGA Permit # P-06151). The full text of the Report is available for review at the registered office of the Company at 6th Floor, 905 West Pender Street, Vancouver, BC V6C 1L6 and is available online under the Company's SEDAR profile at www.sedar.com

Lands

The Company's Mina El Carmen Block in Argentina is located in the province of Chubut, about 30 km north of Comodoro Rivadavia city, as shown in Figure 1. Geologically, it is located on the northern flank of the Golfo San Jorge Basin. The Mina El Carmen Block is approximately 4,800 acres in size.

Geological Evaluation

The prospective resource estimates in this report are based on the work conducted by Sproule, details of which are described below. After reviewing and analyzing all available data, Sproule created a conceptual structure model to determine potential hydrocarbon traps withing the block. Using the well data from Mina El Carmen Block and analogue fields, Sproule estimated the ranges of reservoir parameters and used probabilistic method to estimate the potential initial volumes of gas and oil in place (undiscovered PIIP).

Geological Setting

The Golfo San Jorge Basin, located in the central part of Patagonia, was the first basin to be developed commercially and is the most prolific hydrocarbon producing basin in Argentina. One-third of its areal extent, estimated at 180,000 km^2, is located offshore. The first commercial oil well was drilled in 1907 near Comodoro Rivadavia city. Since 1907 more than 35,000 wells have been drilled in the basin, out of which nearly 1,650 are onshore exploratory wells and only 26 are located offshore (Claudio A. Sylwan at el, 2008)[1].

The Golfo San Jorge Basin is a Jurassic to Tertiary in age intracratonic, mainly extensional basin. Normal faults are the most common and control the most economically important traps basin wide. They usually show rollovers in the downthrown blocks while 4-way closures in the upthrown blocks are less common. Faulted and tilted blocks with closures against faults represent effective traps. Horst structures, limited by opposite dipping normal faults are likely related to the near presence of half graben structures (Claudio A. Sylwan, 2001)[2].

After the discovery of oil in the northern flank of the basin in 1907, the geological studies in the other portions of the basin (i.e. southern flank, western sector) resulted in a stratigraphic nomenclature which is not homogeneous for the entire basin, though, some of the major units are recognized under the same name in the whole basin. The stratigraphic column shown in Figure 2, is a synthesis of the nomenclature of the basin, according to the geographic sector of occurrence.

The wells in Mina El Carmen Block penetrated the following deposits (starting from the oldest):

- So called "Economical Basement" which consists mainly of Middle to Late Jurassic volcanics, volcanoclastics and to a lesser degree, sedimentary rocks. Regionally, this complex is interbedded with marine sediments to the west, while it interfingers with continental deposits to the east;
- Pozo D-129 Formation which is dominated by generally small sized clastics. The depositional environment grades from deep lacustrine to fluvial. Deep lacustrine environments are represented by dark to black shales and mudstones with high organic content, which are the most important source rock for hydrocarbon in the basin;
- Mina El Carmen Formation which is dominated by sandstones of fluvio-deltaic depositional environments, thin and showing an irregular distribution;
- Comodoro Rivadavia Formation with lithological composition characterized by the presence of white lithic tuffs, greyish white sandstones and conglomerate with volcanic clasts and quartz, tuffaceous sandstones and red and yellow shales;
- San Diego and Valle "C" Members of the Yacimiento El Trebol Formation dominated by abundant sandstones, thought to have been deposited by deltaic fans;
- Glauconitico Member of the Salamanka Formation which represents the first Tertiary marine transgression from the Atlantic in the Golfo San Jorge Basin and contains a glauconitic sandstone layer that produce hydrocarbons in the northern flank of the basin;
- Pehuenche (Rio Chico) Formation which consists mainly of multicolored shales, fine tuffs, tuffaceous sandstones and conglomerates.

Sproule's Resource Estimation

Sproule used a probabilistic method to estimate the prospective resources within the Mina El Carmen Block. The ranges of area and all reservoir parameters including net thickness, porosity, water saturation and formation volume factor were input as distributions and were estimated by Sproule using all available data including well logs and well files in the block, and data from the public domain. The P_{90}, P_{10}, P_{50} and Mean values for each reservoir parameter were estimated from these distributions and were used as inputs for the probabilistic analysis of hydrocarbons in place. To estimate the recoverable volumes (prospective resources), Sproule used the ranges of recovery factors as inputs for the probabilistic runs. The chance of discovery or geological chance of success (GCoS) was also estimated to facilitate estimation of the risked prospective resources (for the mean volumes only). Finally, Sproule estimated the chance of commerciality (product of the chance of development and GCoS).

As was mentioned above, the ranges of all reservoir parameters were estimated using interpreted distributions. The low and high end of each distribution were checked for reasonableness and adjusted if needed. The input parameters and distribution types used in the probabilistic modeling are outlined in Table 1. The geological interpretation and determination of the geological parameters are discussed in more detail in following section.

Table 1
Input Parameters for the Probabilistic Model of the Mina El Carmen Block in Argentina
(As of July 15, 2023)

Prospects	Parameter	Distribution Type	P90	Mean	P10	Data Source
Prospect 1 Gas	Area (ac)	LNP1P99	95.8	205.8	347.6	Estimates
	Net Reservoir Thickness (m)	LNP1P99	3.1	5.4	8.1	Logs
	Porosity (%)	LN2HiLo	17.1	20.9	25.0	Analogue, logs
	Gas Saturation (%)	StrBeta	62.4	73.1	83.0	Analogue
	Gas Formation Factor, Bg (scf/scf)	NormMS	0.0212	0.0175	0.015	Estimates
	Recovery Factor, Gas (%)	Normal_P99_P1	66.3	75.0	83.7	Analogue
Prospect 2 Gas	Area (ac)	LNP1P99	77.3	113.6	155.5	Estimates
	Net Reservoir Thickness (m)	LNP1P99	7.8	11.5	15.6	Logs
	Porosity (%)	LN2HiLo	16.5	19.6	22.9	Analogue, logs
	Gas Saturation (%)	StrBeta	62.4	73.1	83.0	Analogue
	Gas Formation Factor, Bg (scf/scf)	NormMS	0.0212	0.0175	0.015	Estimates
	Recovery Factor, Gas (%)	Normal_P99_P1	66.3	75.0	83.7	Analogue
Prospect 3 Gas	Area (ac)	LNP1P99	92.6	186.0	305.7	Estimates
	Net Reservoir Thickness (m)	LNP1P99	0.6	2.2	4.5	Logs
	Porosity (%)	LN2HiLo	17.1	20.9	25.0	Analogue, logs
	Gas Saturation (%)	StrBeta	62.4	73.1	83.0	Analogue
	Gas Formation Factor, Bg (scf/scf)	NormMS	0.0212	0.0175	0.015	Estimates
	Recovery Factor, Gas (%)	Normal_P99_P1	66.3	75.0	83.7	Analogue
Prospect 4 Gas	Area (ac)	LNP1P99	97.5	217.0	372.3	Estimates
	Net Reservoir Thickness (m)	LNP1P99	5.6	6.5	7.5	Logs
	Porosity (%)	LN2HiLo	15.6	17.7	20.0	Analogue, logs
	Gas Saturation (%)	StrBeta	62.4	73.1	83.0	Analogue
	Gas Formation Factor, Bg (scf/scf)	NormMS	0.0212	0.0175	0.015	Estimates
	Recovery Factor, Gas (%)	Normal_P99_P1	66.3	75.0	83.7	Analogue
Prospect 5 Oil	Area (ac)	LNP1P99	44.3	187.4	397.8	Estimates
	Net Reservoir Thickness (m)	LNP1P99	5.6	6.5	7.5	Logs
	Porosity (%)	LN2HiLo	18.8	19.4	20.0	Analogue, logs
	Oil Saturation (%)	StrBeta	49.7	60.0	70.3	Analogue
	Oil Formation Factor, Bo (bbl/STB)	NormMS	1.23	1.25	1.27	Estimates
	Recovery Factor, Oil (%)	Normal_P99_P1	11.1	18.0	25.0	Analogue
Prospect 6 Oil	Area (ac)	LNP1P99	40.2	136.9	274.5	Estimates
	Net Reservoir Thickness (m)	LNP1P99	5.6	6.5	7.5	Logs
	Porosity (%)	LN2HiLo	18.8	19.4	20.0	Analogue, logs
	Oil Saturation (%)	StrBeta	49.7	60.0	70.3	Analogue
	Oil Formation Factor, Bo (bbl/STB)	NormMS	1.23	1.25	1.27	Estimates
	Recovery Factor, Oil (%)	Normal_P99_P1	11.1	18.0	25.0	Analogue

<u>Determination of Prospects</u>

The drilling in the Mina El Carmen Block started in 1928 with the drilling of C-1 well and finished in 1944 when the wells C-11 and C-12 were drilled. The location of the wells is shown in Figure 1. No tested or produced hydrocarbons were recorded within the block. Gas shows were indicated on the lithological logs in C-4 and C-5 wells in the Glauconitico zone, and water with gas was mentioned in the well C-1 in San Diego zone. Also, in the C-12 well, log interpretation showed the potential presence of oil in Mina El Carmen zone.

The only well tested within the Mina El Carmen Block was C-11, in which every sandy interval was perforated with no hydrocarbon flow reported. The C-12 well was cored in each sand (except in the Mina El Carmen zone), but no hydrocarbons were present in the core. As a result, the drilling was abandoned in the block, although there was a production from the Glauconitico zone in the Mina Salamanca gas field located about six kilometers to the southwest of the Mina El Carmen Block.

Sproule correlated and picked the tops of the zones in all available logs in the block, either wireline or lithological. Due to very old vintage and low quality data, those tops are not precise but were used regardless to build a structure model in the block. Table 2 showing tops for the major zones is presented below.

Based on a few available wireline logs in the Mina El Carmen Block, Sproule grouped the sand intervals into the sand packages for which the prospects were identified. These sand packages were made the main targets for assessment of the Mina El Carmen area. They are:

- Glauconitico and Valle "C" (G+VC)
- San Diego (SD)
- Mina El Carmen (MEC)

The example of log showing the tops of the targets is shown in Figure 3.

Using correlated tops of the zones in the wells, Sproule built the structural model introducing, where necessary, the normal faults to compensate the missing intervals in the wells or changes in sub-sea depth of the zone tops between the wells. This was achieved by building cross sections in different directions. Two important cross sections running SW-NE and S-N are shown in Figures 4 and 5.

Sproule considered potential hydrocarbon traps within the block which formed by the normal faults with the reservoir rock (sand) juxtaposed against the impermeable rock (shale). Based on structural interpretation, as shown in Figures 4 and 5, six prospects (numbered 1 through 6) were identified in the Mina El Carmen Block. Four prospects were assessed for gas and the other two for oil accumulations. Three gas prospects (1 through 3) are in the G+VC package, one gas prospect (#4) is in the SD package, and two oil prospects (5 and 6) are in the MEC package.

For each prospect, Sproule estimated the ranges of area extent and reservoir parameters which were used to estimate petroleum initial-in-place (PIIP) and prospective resources.

Area

There is no seismic coverage over the Mina El Carmen Block. To estimate the area ranges for gas prospects, Sproule built the structure maps on the top of Glauconitico and San Diego zones (Figures 6 and 7). Due to limited well control, no structure map for the MEC zone was created. The maximum areas (P_1) were calculated within a fault block of the licence area, truncated by the highest structure level of known reported water in any well (Figures 8 and 9). The minimum area (P_{99}) was estimated to be 60 acres from a spacing unit in the near-by producing Mina Salamanca gas field. For oil prospects, the minimum area (P_{99}) was set at 20 acres based on Sproule's experience, while the maximum areas (P_{01}) were calculated to be entire fault blocks within the licence area (Figure 10). P_{10}, P_{50} and P_{90} values of area extent were estimated using lognormal distribution.

Net Reservoir Thickness

To estimate the net reservoir thickness ranges, Sproule conducted an independent petrophysical analysis of five wells, namely C-7, C-9, C-10, C-11, and C-12, with digital well log data. The Glauconitico, Valle C, San Diego and Mina El Carmen sandstone intervals were analyzed. These wells are of older vintage dating back to the 1940's and hence the log data consisted of only resistivity and spontaneous potential (SP). The petrophysical analysis with limited logs is a challenge in determining reasonable reservoir parameters for porosity and shale volume for these wells.

The volume of shale was estimated from the SP log using the following equation:

$$Vsh_{SP} = 0 < \frac{(SP - SP_{clean})}{(SP_{shl} - SP_{clean})} < 1$$

Where, Vsh_{SP} is the volume of shale from the Spontaneous Potential log. The term SP is the measured Spontaneous Potential value of the formation in millivolts, SP_{clean} is the clean matrix Spontaneous Potential value, SP_{shl} is the Spontaneous Potential value in shale. Since only the SP log is available, it is used as a proxy to identify porous intervals and an approximate porosity was estimated using the following equation:

$$\phi_e = 0 < \frac{\phi_{\max}(SP - SP_{shale})}{SP_{clean} - SP_{shale}} < \phi_{\max}$$

Where, φ_e is the effective porosity (PHIE), φ_{max} is the maximum expected porosity from the local knowledge (varied by reservoir zone), SP is the spontaneous potential value in millivolts, SP_{clean} is the spontaneous potential value in a clean sandstone, and SP_{shale} is the spontaneous potential values in a shale. The effective porosity values computed carry a large uncertainty.

The net reservoir was estimated using a volume of shale cut-off of 50 percent and an effective porosity cut-off of 10 percent. The ranges of net thickness were determined from petrophysical evaluation as observed minimum and maximum net reservoirs in evaluated wells for particular height of each trap for each zone.

Porosity

To estimate the porosity ranges, Sproule use the calculated porosities in the wells with available digital data as was described above. The lowest observed porosities in evaluated wells for a particular height of each trap for each zone were set as the minimum values. The highest calculated porosities were set at P_{10} values as based on some limited data from the Mina Salamanca field and general knowledge; Sproule believes that the maximum porosity could be higher and reflected it in the P_{10}-P_{01} range.

Gas/Oil Saturation

It is very challenging to estimate reliable water saturation (Sw) values using very old and low quality well log data. To build a saturation distribution, Sproule used internal data and general knowledge of similar deposits and set up the minimum and maximum water saturations for the gas prospects at 10 and 50 percent (90 and 50 percent of gas saturation), and for the oil prospects at 20 and 60 percent of Sw (or 80 and 40 percent of oil saturation).

Formation Volume Factor

To estimate the formation volume factor for gas (Bg), Sproule used the pressure and temperature gradients for the northern flank of Golfo San Jorge Basin, found in literature, and calculated the ranges of potential formation pressure and temperature using the depth ranges of each sand packages (G+VC and SD). The gas compressibility factor was estimated using Brill and Beggs correlation.

To estimate the formation volume factor for oil (Bo), Sproule used data found in literature about the oil pools in the Golfo San Jorge Basin. Assuming normal pressure reservoir with low GOR oil of 15-30 API, Sproule estimated the range of Bo between 1.2 and 1.3.

Recovery Factor

The recovery factor ranges for gas and oil were estimated using analogous data and Sproule's general knowledge of similar pools in North America taking in consideration the depth, reservoir property, type of hydrocarbon and presence of formation water. For the maximum value of oil recovery, the use of waterflood application was assumed. The range of recovery factors for gas was estimated at 60 to 90 percent, while the range of recovery factors for oil was estimated at 6 to 30 percent.

Gas Surface Loss

Note that gas-in-place volumes and prospective resources are presented in cubic feet of raw gas. No surface loss was applied to raw gas volumes.

Geological Chance of Success

The chance of discovery is defined as the estimated probability that exploration activities will confirm the existence of a significant accumulation of potentially recoverable petroleum. The prospects on Company's Mina El Carmen Block carry high risk mostly due to negative results during the exploration drilling in the block. The data adequacy assessment matrix (Figure 11), proposed by Rose and Associates, was employed to estimate the risk for each geologic parameter. Probabilities were assigned for each exploration geology component. Although the reservoir presence and reservoir quality are proved within the block through the well logs and core data, the presence of traps and, to some degree, hydrocarbon migration have low certainty and carry risk. The resultant geological chance of success value was estimated to be 21 percent, as summarized in Table 3 below.

Table 3
Estimation of the Geological Chance of Success (GCoS)

Prospects	Trap and Seal[1]	Reservoir Presence[2]	Reservoir Quality[3]	Source and Migration[4]	GCoS
1, 2, 3, 4, 5, 6	0.3	1	1	0.7	0.210

1) Trap and Seal [fraction] is the probability that the trap area and top-seal conditions are sufficient to contain at least one accumulation in the play with minimum hydrocarbon volume or more.

2) Reservoir Presence [fraction] is the probability that the reservoir thickness condition is sufficient to contain at least one accumulation with minimum hydrocarbon volume or more.

3) Reservoir Quality [fraction] is the probability that the reservoir condition is of sufficient quality to allow recovery of minimum hydrocarbon volumes or more from at least one accumulation.

4) Source and Migration [fraction] is the probability that the source richness, maturation, migration and timing conditions are sufficient to charge at least one accumulation with the minimum recoverable hydrocarbon volume or more.

Prospective Resource Assessment

There is a great deal of uncertainty in the ranges of some basic reservoir parameters, such as area, net hydrocarbon pay thickness, fluid composition and water saturation. In the event of a discovery, the actual values may vary significantly from those estimated by Sproule, affecting the volume of hydrocarbon estimated to be present. Some other factors, such as gas composition, density and oil viscosity, may affect the volume of oil or gas that can be recovered. Recovery of the resources may also be affected by well performance, reliability of production and process facilities.

Sproule has assessed the prospective resources in the Mina El Carmen Block using probabilistic models developed in GeoX. Table 4 below presents the unrisked undiscovered petroleum initially-in-place and also the unrisked prospective resources in the block for both gas (prospects 1 through 4) and oil (prospects 5 and 6). In the table, the volumes in place and prospective resources are shown for each prospect, and also for aggregated gas and oil prospects, respectively. The mean values of oil and gas prospective resources were risked using the estimated geological chance of success. Note that the Company interest for the Mina El Carmen Block shown is 100 percent.

Table 4
Low, Best, and High Estimates of Undiscovered PIIP and Prospective Resources for International Iconic Gold Exploration Corp. in Mina El Carmen Block, Argentina
(As of July 15, 2023)

Gross Volumes (100% WI)

		Undiscovered Petroleum Initially-In-Place (UPIIP) (9)			Prospective Resources (4)			
		Unrisked			Unrisked			Risked(5,6)
Prospect	**Fluid Type(7,8)**	**Low(1)**	**Best(2)**	**High(3)**	**Low(1)**	**Best(2)**	**High(3)**	**Best(2)**
Prospect 1	Raw Gas (MMcf)	478.3	1392.0	2614.0	351.9	1044.4	1982.3	219.3
Prospect 2	Raw Gas (MMcf)	790.3	1529.7	2445.3	582.3	1147.4	1859.3	241.0
Prospect 3	Raw Gas (MMcf)	105.8	522.6	1151.2	78.5	392.3	860.0	82.4
Prospect 4	Raw Gas (MMcf)	621.4	1514.3	2673.3	462.2	1135.8	2009.5	238.5
Prospects 5	Oil (Mbbl)	661.9	2902.2	6187.4	105.5	522.7	1119.8	109.8
Prospects 6	Oil (Mbbl)	596.4	2118.8	4264.0	94.7	381.9	786.0	80.2

Probabilistically Aggregated Gross Volumes (100% WI)

		Undiscovered Petroleum Initially-In-Place (UPIIP)(9)			Prospective Resources (4)			
		Unrisked			Unrisked			Risked(6)
Prospects	**Fluid Type(7,8)**	**Low(1)**	**Best(2)**	**High(3)**	**Low(1)**	**Best(2)**	**High(3)**	**Best(2)**
Prospect 1, 2, 3, 4	Raw Gas (MMcf)	3,138.1	4,924.	7,028.9	2,332.7	3,698.	5,288.9	776.6
Prospect 5, 6	Oil (Mbbl)	1,883.7	4,957.1	9,081.1	302.7	891.1	1,689.6	187.1

(1) Low represents the P90 volume estimate
(2) Best represents the mean volume estimate
(3) High represents the P10 volume estimate
(4) Prospective Resources are sub-classified as Prospective - Prospects (Risked = Best*21%)
(5) It is mathematically invalid to determine a risked success-case distribution for any probability level other than the mean itself by multiplying an unrisked success case by the geological chance of success
(6) Risked: A 21 percent geological chance of success(79 percent chance of no discovery)
(7) Oil resources are presented in **thousands of barrels**
(8) Gas (raw) resources are presented in **millions of cubic feet before processing (i.e., shrinkage and natural gas liquid recovery)**
(9) UPIIP represents that quantity of petroleum that is estimated, as of July 15, 2023, to be contained in accumulations yet to be discovered

These resources have not yet been discovered and there is no certainty that any portion will be discovered. Even if discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Engineering Evaluation

Chance of Development Risk and Chance of Commerciality

The chance of development risk factor was estimated by Sproule by identifying the key non-technical contingencies specific to the Company's potential project assuming a discovery is made and assigning a probability that each will be overcome to facilitate the project proceeding. The non-technical contingencies, the chance of resolving each contingency and the aggregate chance of development risk factor are detailed in Table 5 below. The key non-technical contingencies are Infrastructure and Market Access and Social License.

Table 5
Chance of Development Risk Factor
(As of July 15, 2023)

Contingencies	Chance of Development
Regulatory Approval	1
Economic Factors	0.4
Corporate Commitment	0.5
Market Access	1
Political Factors	0.9
Social License	0.95
Aggregate Chance of Development	**0.171**

Prospective resources carry the risk related to chance of discovery or geological chance of success (GCoS), as well as the chance of development (CoD) if a discovery is made, as described above. Sproule estimated the chance of discovery of the prospective resources to be 21 percent (Table 3). Combined with the above chance of development risk (17.1 percent), a 3.6 percent chance of commerciality (CoC) should be applied to the unrisked best estimate prospective resources volumes to reflect the risked for chance of commerciality prospective resources.

Thus, the Company interest best estimate risked prospective resources volumes (risked for both GCoS and CoD) in the Mina El Carmen Block were estimated to be in total 132.8 million cubic feet of raw gas and 32 thousand barrels of oil, as shown in Table 6 below.

Table 6
Company Interest Estimates of Risked for the Chance of Commerciality Prospective Resources in Mina El Carmen Block, Argentina
(As of July 15, 2023)

		Undiscovered Petroleum Initially-In-Place (UPIIP)[10]			Prospective Resources [4]				
		Unrisked			Unrisked			Risked[5,6] for GCoS	Risked[7] for CoC
Prospect	**Fluid Type[8,9]**	**Low[1]**	**Best[2]**	**High[3]**	**Low[1]**	**Best[2]**	**High[3]**	**Best[2]**	**Best[2]**
Prospect 1	Raw Gas (MMsf)	478.3	1392.0	2614.0	351.9	1044.4	1982.3	219.3	37.5
Prospect 2	Raw Gas (MMcf)	790.3	1529.7	2445.3	582.3	1147.4	1859.3	241.0	41.2
Prospect 3	Raw Gas (MMcf)	105.8	522.6	1151.2	78.5	392.3	860.0	82.4	14.1
Prospect 4	Raw Gas (MMcf)	621.4	1514.3	2673.3	462.2	1135.8	2009.5	238.5	40.8
Probabilistically Aggregated Prospects 1, 2, 3, 4	Raw Gas (MMcf)	3138.1	4924.0	7028.9	2332.7	3698.0	5288.9	776.6	132.8
Prospect 5	Oil (Mbbl)	661.9	2902.2	6187.4	105.5	522.7	1119.8	109.8	18.8
Prospects 6	Oil (Mbbl)	596.4	2118.8	4264	94.7	381.9	786.0	80.2	13.7
Probabilistically Aggregated Prospects 5, 6	Oil (Mbbl)	1883.7	4957.1	9081.1	302.7	891.1	1689.6	187.1	32.0

(1) Low represents the P90 volume estimate

(2) Best represents the mean volume estimate

(3) High represents the P10 volume estimate

(4) Prospective Resources are sub-classified as Prospective - Prospects (Risked = Best*21%)

(5) It is mathematically invalid to determine a risked success-case distribution for any probability level other than the mean itself by multiplying an unrisked success case by the geological chance of success

(6) Risked for GCoS: A 21 percent geological chance of success (79 percent chance of no discovery)

(7) Risked for CoC: A 3.6 percent chance of commerciality (combined geological chance of success and chance of development; CoC=GCoS*CoD or 21%*17.1%=3.6%)

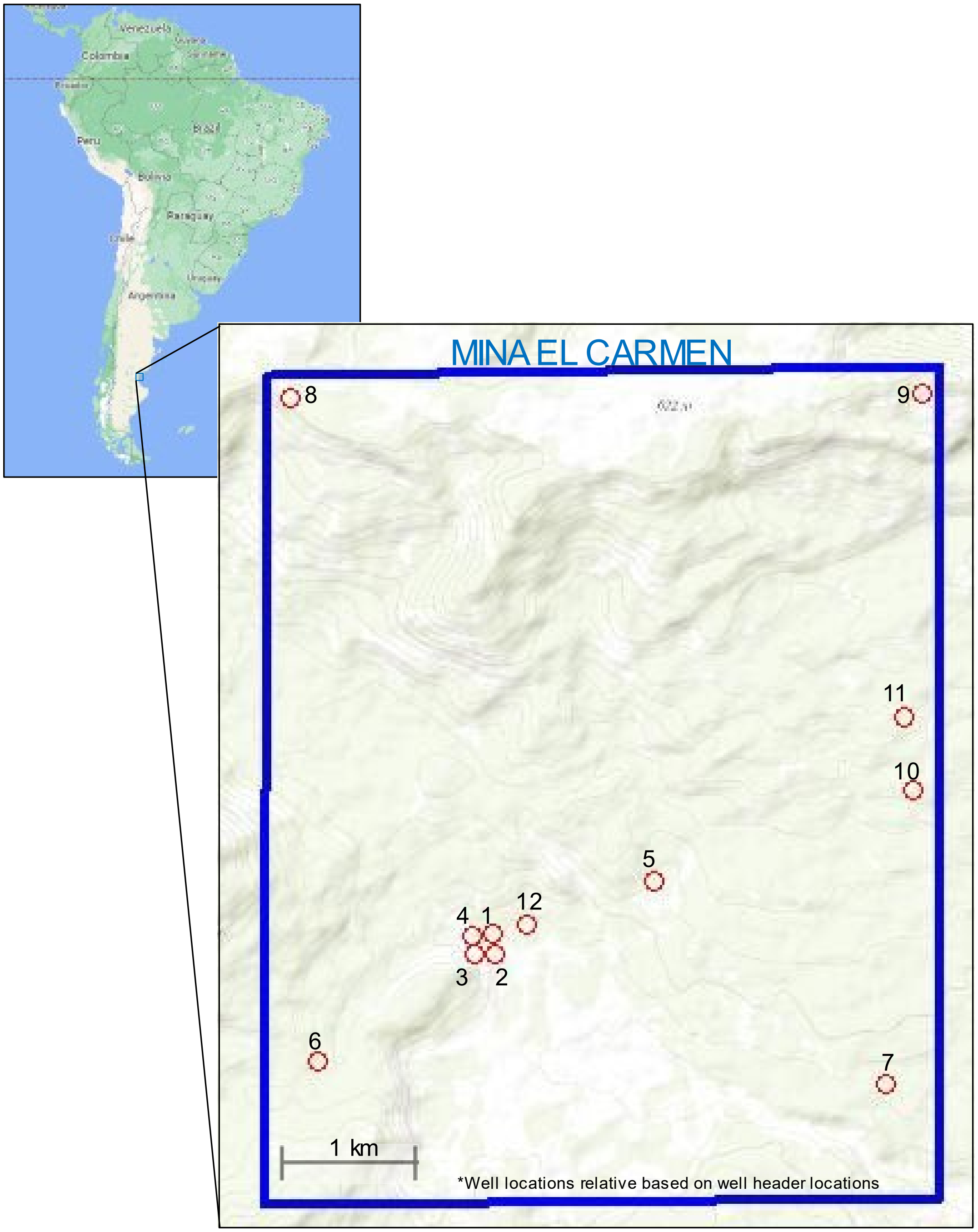
(8) Oil resources are presented in thousands of barrels

(9) Gas (raw) resources are presented in millions of cubic feet before processing (i.e., shrinkage and natural gas liquid recovery)

(10) UPIIP represents that quantity of petroleum that is estimated, as of July 15, 2023, to be contained in accumulations yet to be discovered

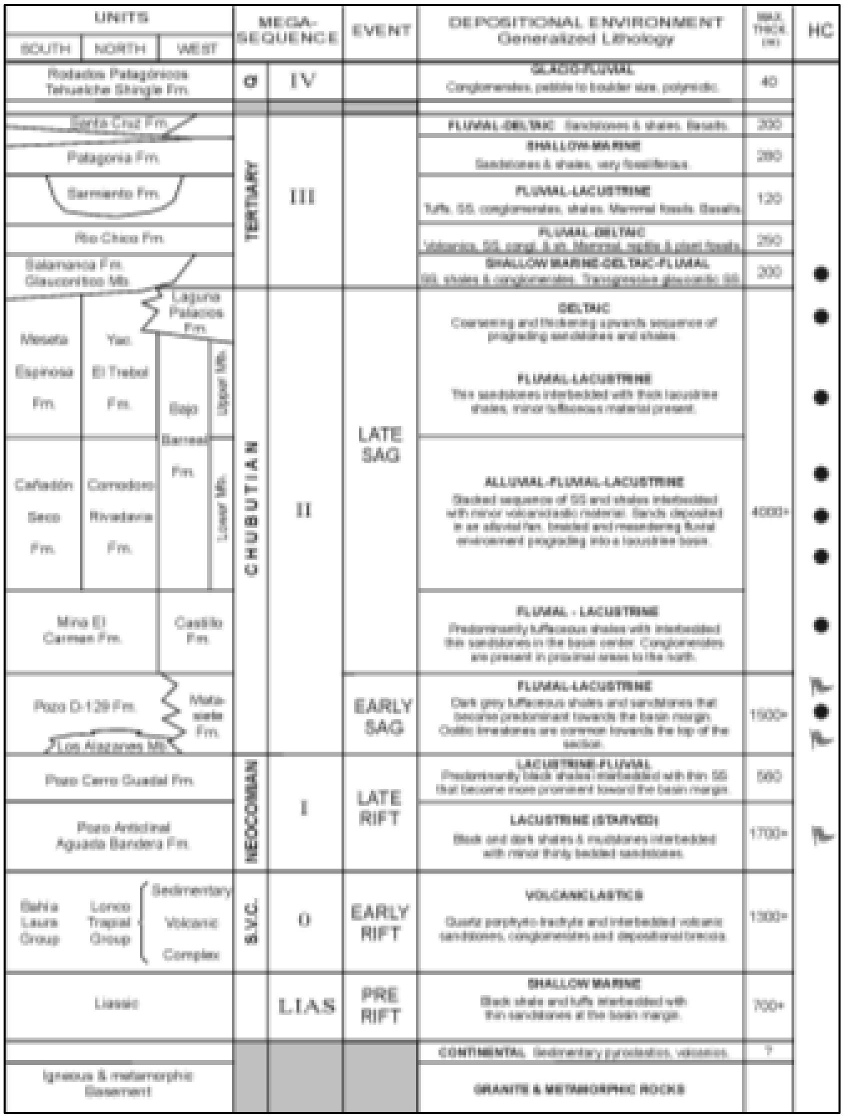
These resources have not yet been discovered and there is no certainty that any portion will be discovered. Even if discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Figure 1



Map of Mina El Carmen Block in Argentina

Figure 2

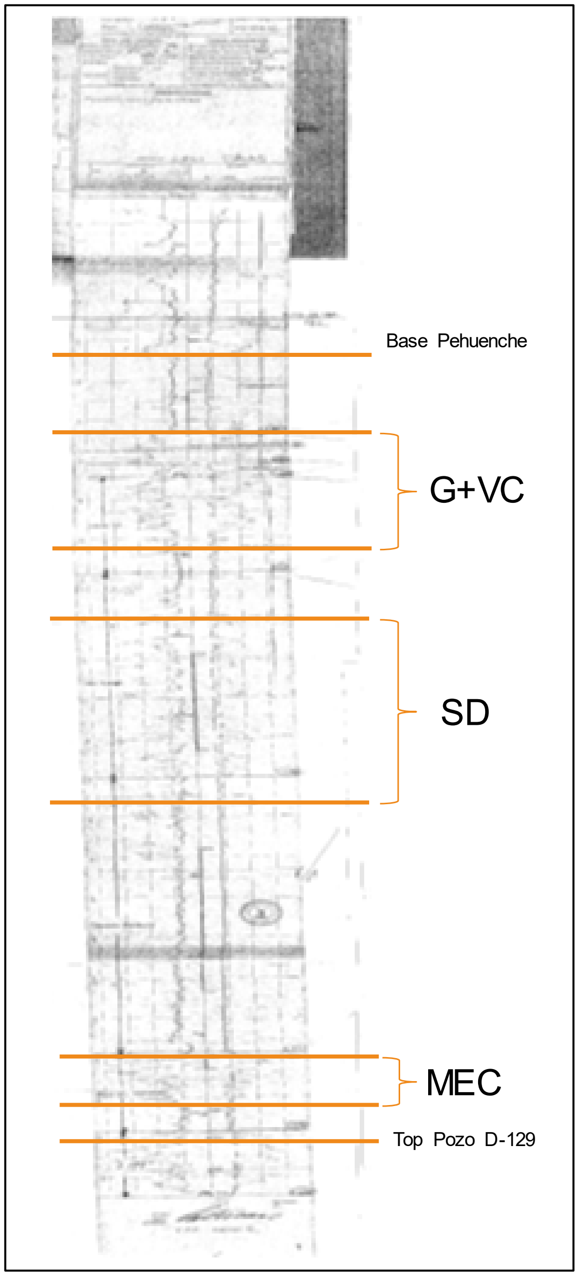


Source: Sylwan, 2001

Stratigraphic Chart of the Golfo San Jorge Basin

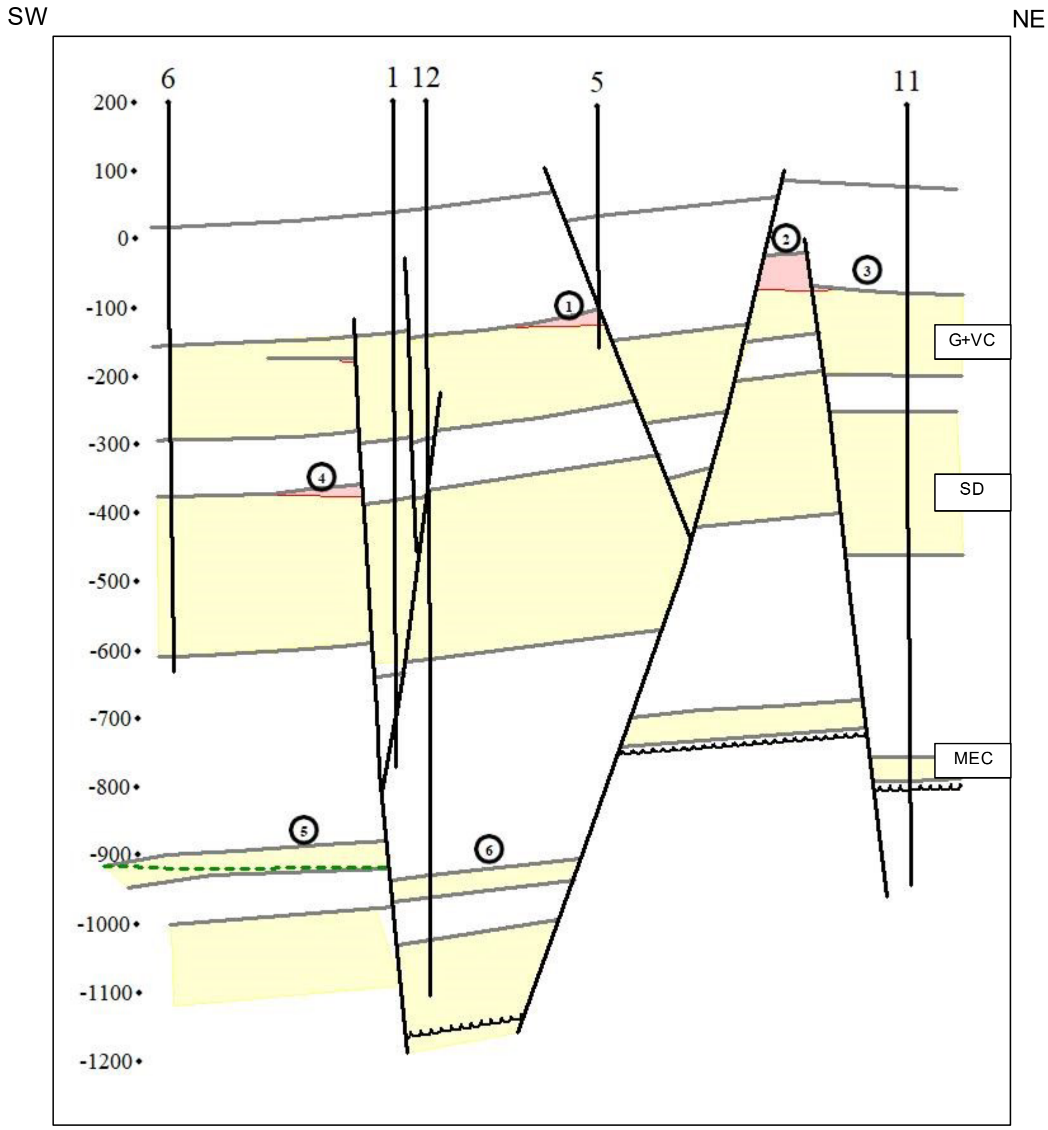
Sproule

Figure 3



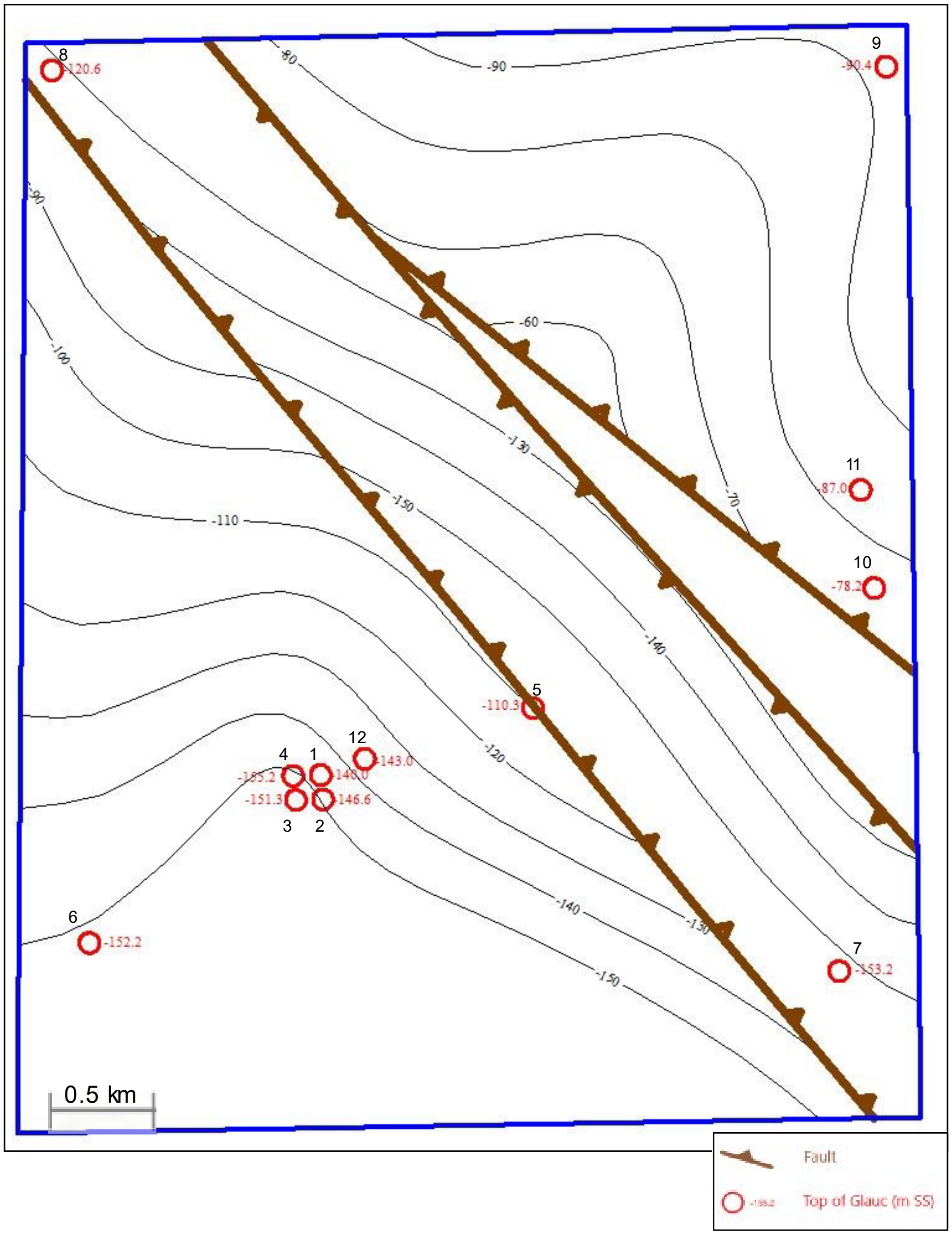
Target Zones in C -12 Well

Figure 4



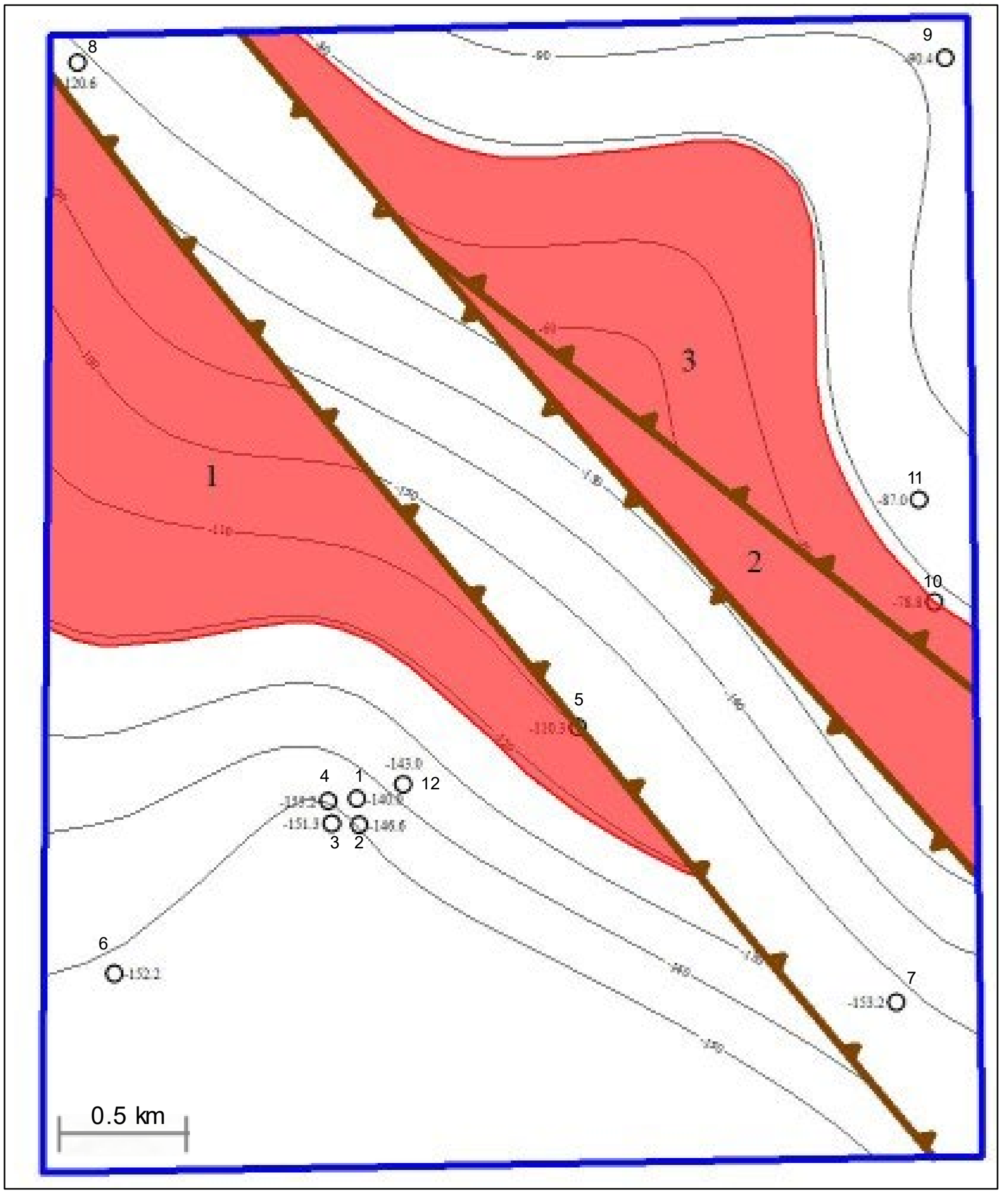
SW-NE Cross Section

Figure 6



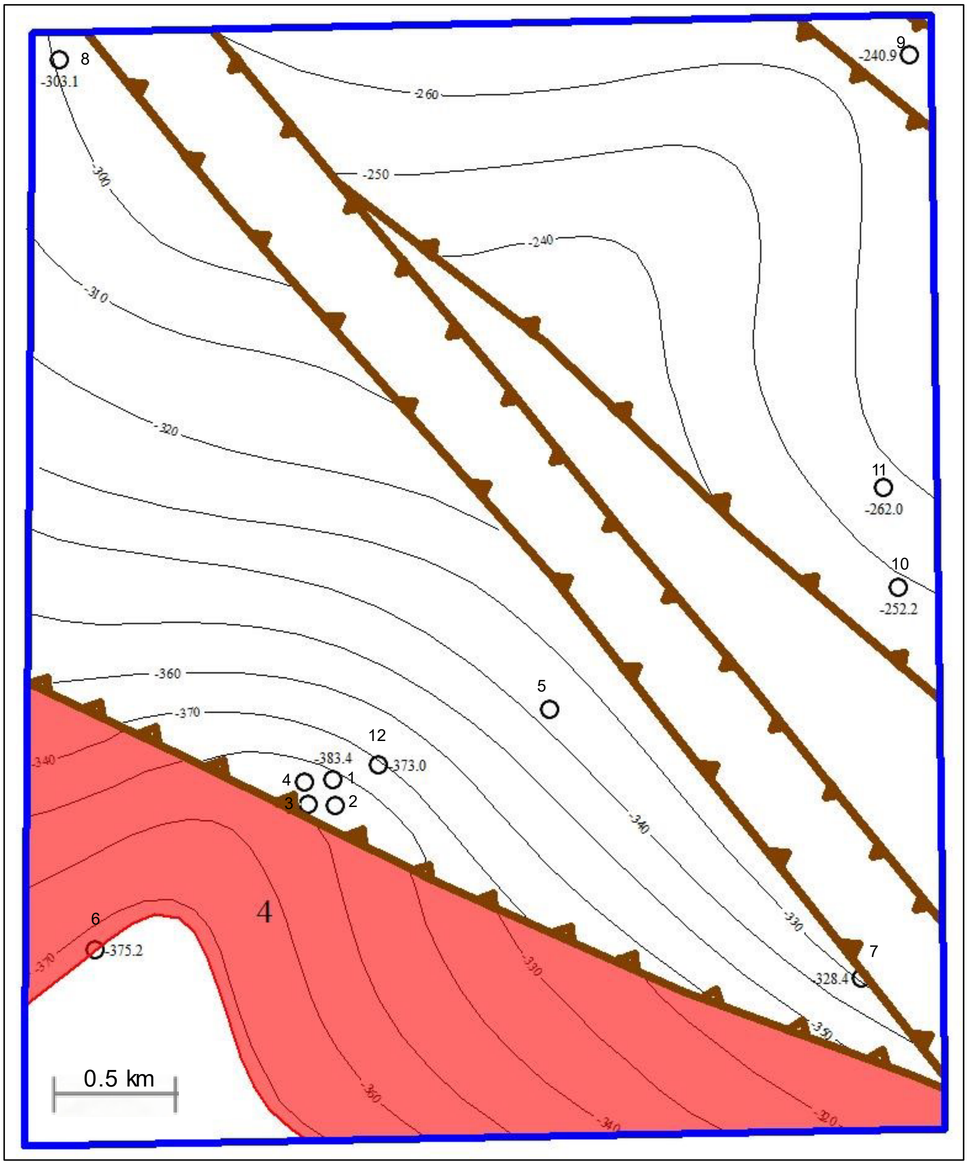
Glauconitico Zone Structure Map of Mina El Carmen Block, Argentina

Figure 8



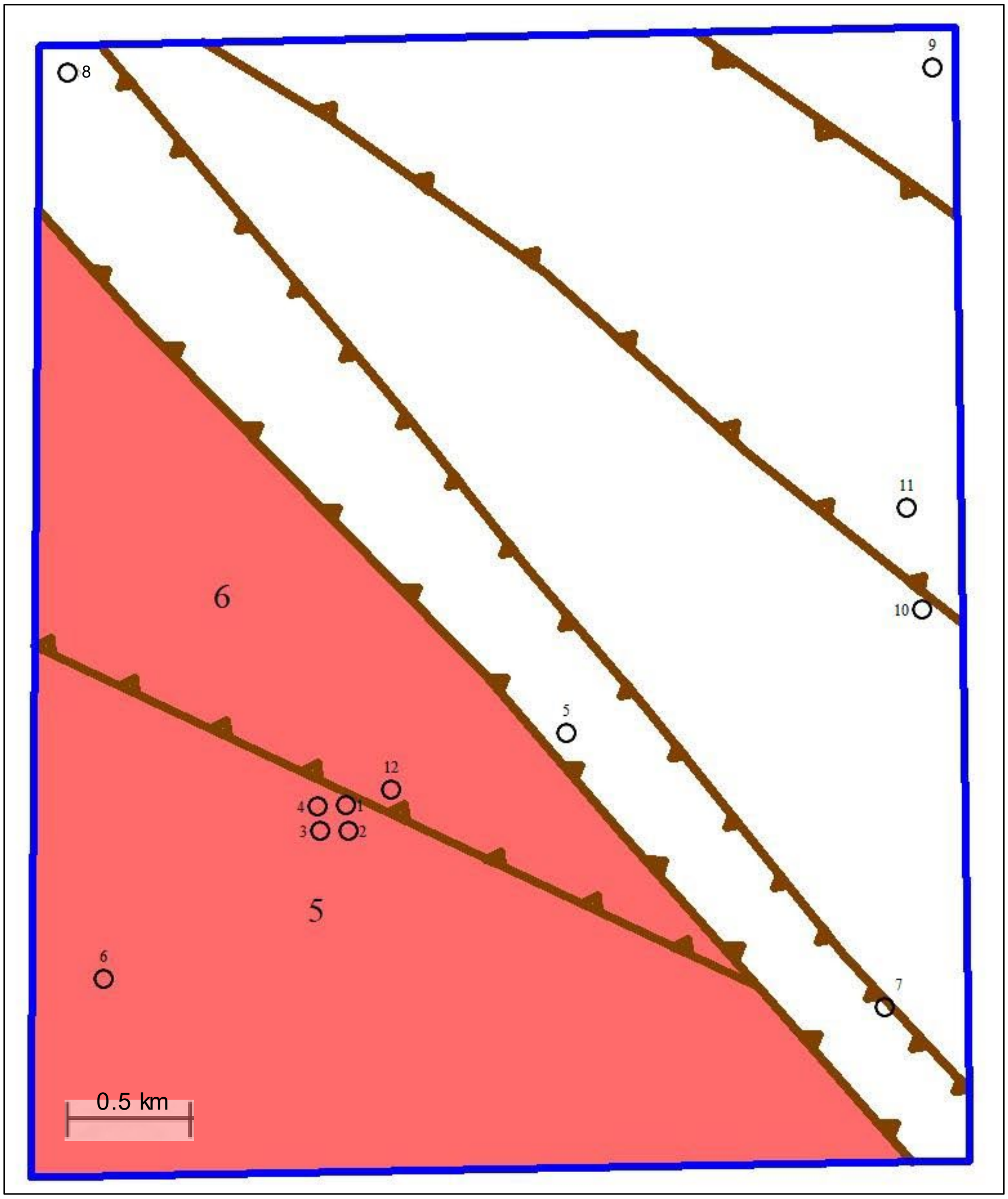
Glauconitico Zone Structure Map and Prospects of Mina El Carmen Block, Argentina

Figure 9



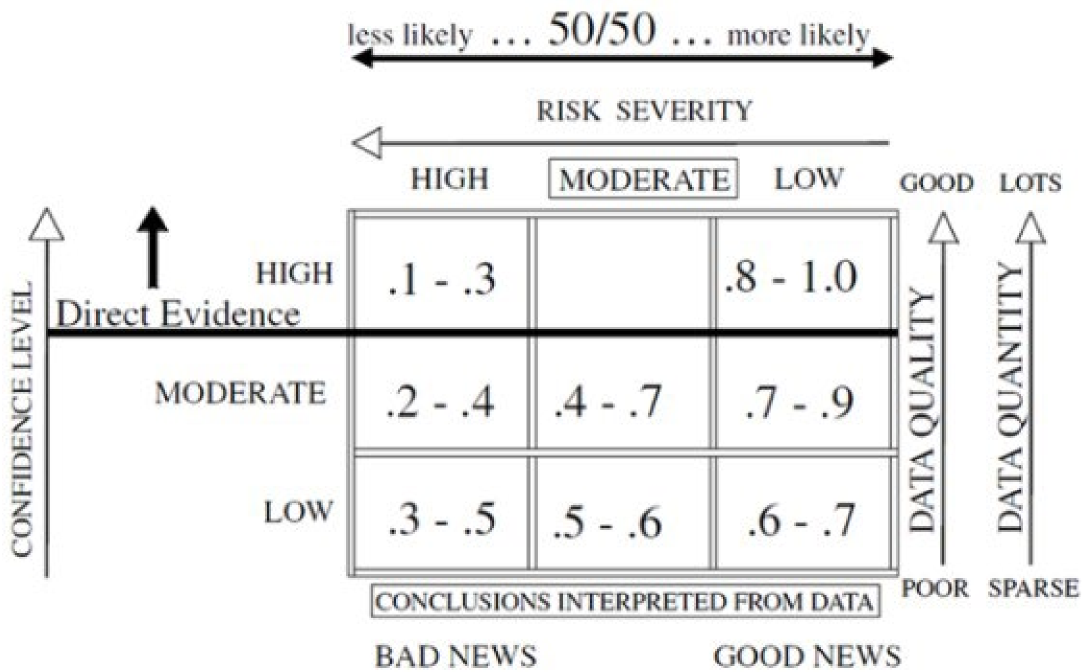
San Diego Zone Structure Map and Prospect of Mina El Carmen Block, Argentina

Figure 10



Mina El Carmen Zone Prospects

Figure 11



Data Adequacy Assessment Matrix for Risk Analysis (From: Peter Rose, 2001)

Recommendations

As could be seen in the section describing the risk analysis, the major risk of hydrocarbon discovery in the Mina El Carmen Block is a presence of traps and seals, and, to lesser degree, hydrocarbon migration. To reduce these risks, Sproule recommends the Company undertake the following steps:

- To prove the structural setting within the block, the seismic has to be acquired. A 3D seismic survey would work the best;
- After processing and interpreting the seismic data, the most favorable well location needs to be chosen taking into consideration the areal extent and height of potential hydrocarbon accumulation;
- During the drilling, a drill stem test can be run to test the presence of hydrocarbons followed by perforation and flow test of most promising intervals;
- In case of a positive result, smaller potential hydrocarbon accumulations will be tested with similar approach.

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. For the financial year ended December 31, 2021, the financial year ended December 31, 2022, and for the six months ended June 30, 2023, the Company sustained net and comprehensive losses of $6,409, $35,312 and $66,041, respectively. 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 working capital of $326,886 as of June 30, 2023, its most recent month end, excluding funds received in connection with the Special Warrant Private Placement as of such date. The net proceeds of the Company under the Special Warrant Private Placement were $135,941. The Company's total available funds are therefore approximately $462,827, which will be used for the purposes described below:

Use of Available Funds	($)
Complete recommended exploration program on the Property(1)	600,000
Initial listing expenses(2)	60,000
General and administrative costs for next 12 months(3)	250,000
Unallocated working capital (deficiency)	(447,173)
TOTAL:	462,827

Notes:

(1) See "*The El Carmen Property – Recommendations*." The exploration program expected cost is $600,000.
(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 exploration 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 and Regulatory Fees	10,000
Listing, Filing and Legal Fees	35,000
Accounting and Auditing	40,000
Miscellaneous	5,000
Consulting Fees	150,000
News Releases, Investor Relations and Associated Costs	10,000
TOTAL:	**250,000**

Business Objectives and Milestones

The Company's current business objective and sole current milestone is to complete the exploration program on the Property, as described herein. Based upon the recommendations of Sproule in the El Carmen Report, the Company intends to carry out the exploration program within 12 months of the Listing Date. If the results of the exploration program are positive, the Company may consider further exploration on the Property.

The Company's unallocated working capital will likely not be sufficient to fund additional exploration or capital expenditure on the Property if the results of the exploration are positive. Therefore, in the event the results of the exploration program warrant conducting further exploration on the Property or another form of capital expenditure, the Company will require additional financing to complete further exploration programs, or otherwise commit to capital expenditures to be determined in the future. The availability of such financing cannot be guaranteed.

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, oil and gas 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 oil and gas 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 exploration program are not supportive of proceeding with further exploration, or if continuing with the 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 exploration, 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 financial year ended December 31, 2021, the financial year ended December 31, 2022, and for the six months ended June 30, 2023 and 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 financial year ended December 31, 2021, the financial year ended December 31, 2022 and for the six months ended June 30, 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 4,650,000 Common Shares issued and outstanding, and the Company will have 4,740,627 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.

Warrants

As at the date of this Prospectus, the Company has 2,550,000 Warrants issued and outstanding, each exercisable into one (1) Common Share, and the Company will have 2,640,627 Warrants issued and outstanding following the exercise or deemed exercise of all the Special Warrants.

Special Warrants

As at the date of this Prospectus, the Company in aggregate had 90,627 Special Warrants outstanding, issued under Special Warrant Private Placement. Each Special Warrant entitles the holder to acquire, without further payment, one SW Share and one SW Warrant, with each SW Warrant exercisable into one Common Share for a period of two years from the Listing Date at an exercise price of $3.00. 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) the date that is four (4) months and a day following 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 available funds of $462,827 will not fund operations for the next 12-month period. Management estimates that the Company will require $600,000 to pay for the exploration program expenditures on the Property, $60,000 for initial listing expenses, and $250,000 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 4,650,000 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 4,740,627 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 rateably 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 26, 2023 issuing 90,627 Special Warrants. Each Special Warrant entitles the holder to acquire, without further payment, one (1) SW Share and one (1) SW Warrant, each SW Warrant exercisable into one (1) Common Share at an exercise price of $3.00 for three (3) years from the date of issuance. 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) the date that is four (4) months and a day following 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, 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 June 30, 2023	Outstanding as at the date of this Prospectus(1)(2)	Outstanding following the exercise of all the Special Warrants(2)
Common Shares	Unlimited	2,550,000	4,650,000	4,740,627

Description	Authorized	Outstanding as at June 30, 2023	Outstanding as at the date of this Prospectus(1)(2)	Outstanding following the exercise of all the Special Warrants(2)
Warrants	Unlimited	2,550,000	2,550,000	2,640,627
Special Warrants	Unlimited	Nil	90,627	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	4,650,000	63.0%
Common Shares reserved for issuance upon the exercise of the Special Warrants	90,627	1.2%
Common Shares reserved for issuance upon exercise of the Warrants	2,550,000	34.6%
Common Shares reserved for issuance upon exercise of the SW Warrants	90,627	1.2%
Total Fully Diluted Share Capitalization after the Listing Date	**7,381,254**	**100%**

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(1)	Number of Securities
December 21, 2020	$0.05	100 Common Share (cancelled)
August 26, 2021(2)	$0.05	500,000 Special Warrants
September 30, 2021(3)	$0.20	2,050,000 Special Warrants
December 27, 2021(2)	Nil	500,000 Units
January 31, 2022(3)	Nil	2,050,000 Units
July 7, 2023(4)	$1.00	2,100,000 Common Shares
July 26, 2023	$1.50	90,627 Special Warrants

Notes:
(1) All prior sales have been for cash, except for the issuance of 2,100,000 Common Shares on July 7, 2023, which were issued pursuant to the Acquisition Agreement.
(2) On August 26, 2021, the Company issued 500,000 special warrants. Each special warrant was issued at a price of $0.05 and entitled the holder to receive, upon voluntary exercise prior to, or deemed exercise on, the automatic exercise date and without payment or additional

consideration, one (1) Common Share and one (1) Common Share purchase warrant, with each warrant exercisable into one (1) additional Common Share at a price of $0.05 for a period of five (5) years from the Listing Date. These special warrants were automatically exercised into 500,000 units on December 27, 2021.

(3) On September 30, 2021, the Company issued 2,050,000 special warrants. Each special warrant was issued at a price of $0.20 and entitled the holder to receive, upon voluntary exercise prior to, or deemed exercise on, the automatic exercise date and without payment or additional consideration, one (1) Common Share and one (1) Common Share purchase warrant, with each warrant exercisable into one (1) additional Common Share at a price of $0.20 for a period of five (5) years from the Listing Date. These special warrants were automatically exercised into 2,050,000 units on January 31, 2022.

(4) On July 7, 2023, the Company issued 2,100,000 Common Shares to Icon pursuant to the Acquisition Agreement. 2,000,000 of these Common Shares are held in escrow, to be released upon certain conditions being achieved with respect to the Property.

(5) On July 26, 2023, the Company issued 90,627 Special Warrants. Each Special Warrant was issued at a price of $1.50 and entitled the holder to receive, upon voluntary exercise prior to, or deemed exercise on, the automatic exercise date and without payment or additional consideration, one (1) SW Share and one (1) SW Warrant, with each SW Warrant exercisable into one (1) additional Common Share at a price of $3.00 for a period of three (3) years from the Listing 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	3,200,000(1)(2)	67.5%(3)
Warrants	1,100,000(1)(4)	41.7%

Notes:

(1) These Common Shares and Warrants are held under the Escrow Agreement in accordance with NP 46-201. The Escrow Agent is Endeavor Trust Corporation.

(2) The Common Shares held under the Escrow Agreement are owned by Anish Pabari, who holds 1,100,000 Common Shares, and ICON, which holds 2,100,000 Common Shares. 2,000,000 of the Common Shares held by ICON are also subject to the ICON Escrow Agreement.

(3) Based on 4,740,627 Common Shares issued and outstanding following the exercise of all the Special Warrants on an undiluted basis.

(4) The Warrants held under the Escrow Agreement are owned by Anish Pabari, who holds 1,100,000 Warrants.

(5) Based on 2,640,627 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:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
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, 1,100,000 Common Shares and 1,100,000 Warrants will be held in escrow on the Listing Date.

PRINCIPAL SECURITYHOLDERS

Except as set out below, to the knowledge of the directors and officers of the Company, as of the date of this Prospectus, assuming the exercise of the Special Warrants, no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Common Shares.

Name	Type of Ownership	Number and Class of Shares Owned	Percentage of Class of Shares Owned before Exercise of Special Warrants(1)	Percentage of Class of Shares Owned after Exercise of Special Warrants(2)
Anish Pabari	Direct	1,100,000 Common Shares	23.7%	23.2%
International Iconic Gold Exploration Corp.	Direct	2,100,000 Common Shares	45.2%	44.3%

Notes:
(1) Percentage is based on 4,650,000 Common Shares issued and outstanding before the exercise of all the Special Warrants.
(2) Percentage is based on 4,740,627 Common Shares issued and outstanding following the exercise of all the Special Warrants on an undiluted basis.

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[(1)]	**Following the exercise of the Special Warrants[(2)]**
Francisco Gulisano[(1)] Argentina *Chief Executive Officer, Director*	July 10, 2023	Mr. Gulisano has served as a consultant, certifying oil and gas reserves, for 15 years. From 2018 onwards, Mr. Gulisano has worked as a professor at Buenos Aires University. Mr. Gulisano has also consulted for the Field Intelligence Energy Company since 2020 with respect to new business developments.	Nil	Nil
Maryam Amin Shanjani[(2)] Vancouver, BC *Chief Financial Officer*	July 1, 2023	Ms. Shanjani is both a CPA and a CGA. Ms. Shanjani provided accounting and tax services as a consultant from 2017 to 2020 and worked as an accountant with Aptitude Accounting Services Inc. from 2020 to 2022. She acted as a director of Abattis Bioceuticals Corp. from May 2016 to October, 2016, and has served as the CFO of Cryptoblox Technologies Inc. since March 2021.	Nil	Nil
Cindy Hernandez Burnaby, BC[(2)] *Corporate Secretary*	July 10, 2023	Ms. Hernandez was an office manager for FirstService Residential Services from 2016 to 2022. Ms. Hernandez also worked as an executive assistant for Aptitude Accounting Services Inc. in 2022 and has been an executive assistant with Citadel One Executive Consulting Services Inc. since October 2022.	Nil	Nil

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(1)	Following the exercise of the Special Warrants(2)
Roger Lui(1)(3) Vancouver, BC *Director*	July 10, 2023	Mr. Lui acted as a senior mortgage consultant for RTC Mortgage from 2018 to 2022. He was a broker relationship manager for Fisgard Asset Management in 2022 and worked as a manager in the residential mortgage department of TD Bank from 2013 to 2018.	Nil	666 (0.0%)(4)
Michael Sato(1)(3) Vancouver, BC *Director*	July 10, 2023	Mr. Sato has been acting as a real estate sales consultant for eXp Realty since 2019. Mr. Sato worked as a sub mortgage broker for Dominion Lending Centres Elite Lending from 2016 to 2023, and for RTC Mortgage since March 2023. Prior to that, Mr. Sato was a real estate sales consultant from 2016 to 2019 for Multiple Realty.	Nil	666 (0.0%)(4)

Notes:
(1) Denotes a member of the Audit Committee of the Company.
(2) Ms. Shanjani and Ms. Hernandez provide their services to the Company through Citadel.
(3) Denotes an independent director.
(4) Based on 4,740,627 Common Shares issued and outstanding, following the exercise of all the Special Warrants, on an undiluted basis.

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 do not beneficially own or exercise control or discretion over any Common Shares. Following the exercise of all the Special Warrants, the directors and executive officers of the Company as a group will beneficially own, directly or indirectly, or exercised control or discretion over 1,333 Common Shares, representing 0.0% of the outstanding Common Shares on an undiluted basis.

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:

Francisco Gulisano – Chief Executive Officer and Director, 60 years old

From 2018 onwards, Mr. Gulisano has worked as a professor at Buenos Aires University. He has also acted as a consultant providing services to certify oil and gas reserves for over 15 years. Mr. Gulisano has consulted for the Field Intelligence Energy Company since 2020 with respect to new business development in relation to green solutions for the oil and gas industry.

As the Chief Executive Officer of the Company, Mr. Gulisano 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. Gulisano expects to devote approximately 40% 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. Gulisano is a consultant of the Company. Mr. Gulisano has entered into a non-competition and non-disclosure agreement with the Company.

Maryam Amin Shanjani – Chief Financial Officer, 65 years old

Ms. Shanjani is both a CPA and a CGA. Ms. Shanjani provided accounting and tax services as a consultant from 2017 to 2020 and worked as an accountant with Aptitude Accounting Services Inc. from 2020 to 2022. She acted as a director of Abattis Bioceuticals Corp. from May 2016 to October, 2016, and has been the CFO of Cryptoblox Technologies Inc. since March 2021.

As the Chief Financial Officer of the Company, Ms. Shanjani is responsible for coordination of the financial operations of the Company in conjunction with the Chief Executive Officer and with outside accounting, tax and auditing firms. Ms. Shanjani intends to devote approximately 20% of her time to the affairs of the Company but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge her responsibilities as a CFO.

Ms. Shanjani is an employee of Citadel, which is a consultant of the Company. Citadel has entered into a non-disclosure agreement with the Company, but not a non-competition agreement.

Cindy Hernandez – Corporate Secretary, 32 years old

Ms. Hernandez was an office manager for FirstService Residential Services from 2016 to 2022. Ms. Hernandez also worked as an executive assistant for Aptitude Accounting Services Inc. in 2022 and has been an executive assistant with Citadel One Executive Consulting Services Inc. since October 2022.

As the Corporate Secretary of the Company, Ms. Hernandez is responsible for implementing the decisions of the Board, acting as an advisor to the Board, liaising with professionals engaged by the Company, and ensuring the Company's compliance obligations are met. Ms. Hernandez intends to devote approximately 20% of her time to the affairs of the Company but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge her responsibilities as the Corporate Secretary.

Ms. Hernandez is an employee of Citadel, which is a consultant of the Company. Citadel has entered into a non-disclosure agreement with the Company, but not a non-competition agreement.

Roger Lui – Director, 45 years old.

Mr. Lui acted as a senior mortgage consultant for RTC Mortgage from 2018 to 2022. He was a broker relationship manager for Fisgard Asset Management in 2022 and worked as a manager in the residential mortgage department of TD Bank from 2013 to 2018.

Mr. Lui 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. Lui has not entered into a non-competition or non-disclosure agreement with the Company.

Michael Sato – Director, 50 years old.

Mr. Sato has been acting as a real estate sales consultant for eXp Realty since 2019. Mr. Sato worked as a sub mortgage broker for Dominion Lending Centres Elite Lending from 2016 to 2023, and for RTC Mortgage since March 2023. Prior to that, Mr. Sato was a real estate sales consultant from 2016 to 2019 for Multiple Realty.

Mr. Sato 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. Sato has not entered into a non-competition or non-disclosure agreement with the Company.

Corporate Cease Trade Orders or Bankruptcies

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

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.

Michael Sato made a consumer proposal with certain creditors, filed on April 15, 2015, which was fully performed as of November 4, 2016. A certificate of full performance of proposal was issued on December 7, 2016.

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 financial year ended December 31, 2022, the Company's most recently completed financial year. Accordingly, and in accordance with Form 51-102F6 *Statement of Executive Compensation* ("**Form 51-102F6**"), 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 year ended December 31, 2022, the Company's only NEO was Hou Yin Ho and Mr. Ho did not receive any compensation from the Company during such period.

Maryam Amin Shanjani and Cindy Hernandez provide their services as CFO and Corporate Secretary respectively to the Company through Citadel pursuant to the management services agreement between Citadel and the Company dated January 1, 2023 (the "**Citadel Agreement**"). Under the Citadel Agreement, the Company pays Citadel a monthly fee of $6,000, plus applicable taxes, for management services including administration, financial reporting, regulatory disclosure and filing, tax filing, and operations management. Depending on the services required in a given month, this fee may increase to up to $10,000, plus applicable taxes.

Francisco Gulisano provides his services as a CEO to the Company pursuant to a consulting agreement between Mr. Gulisano and the Company dated July 10, 2023 (the "**Gulisano Agreement**"). Pursuant to the Gulisano Agreement, the Company will pay Mr. Gulisano $5,000 per month, plus applicable taxes.

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.

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. Notwithstanding, the Company expects to implement such a plan and issue awards thereunder in due course to incentivize its personnel.

Defined Benefit Plans

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

Termination and Change of Control Benefits

Except as noted below, 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.

Pursuant to the Gulisano Agreement, in the event Mr. Gulisano's engagement by the Company is terminated, Mr. Gulisano will be entitled to a 30-day notice period.

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:

Francisco Gulisano (Chair)	Not Independent(1)	Financially Literate(2)
Roger Lui	Independent(1)	Financially Literate(2)
Michael Sato	Independent(1)	Financially Literate(2)

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. Gulisano is not independent because he serves as the Company's Chief Executive Officer.

(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(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 or estimated to be 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(1)	Tax Fees(2)	All other Fees(3)
December 31, 2022	$7,500	$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 three directors: Francisco Gulisano, Roger Lui and Michael Sato. 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. Gulisano is not independent, as Mr. Gulisano is the Chief Executive Officer of the Company. Messrs. Sato and Lui are independent.

Directorships

Currently, the none of the Company's directors are also directors of other reporting issuers:

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 90,627 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 90,627 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 intends to apply 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, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc). See "*Risk Factors*".

RISK FACTORS

General

The Company is in the business of exploring and, if warranted, developing oil and gas properties, which is a highly speculative endeavour. 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 oil and gas 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 oil and gas reserves. There is no guarantee that economic quantities of oil and gas 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.

Oil and Gas Exploration, Development and Production Risks

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves.

Without the continual addition of new reserves, any existing reserve associated with our oil and gas assets at any particular time, and the production therefrom, will decline over time as such existing reserves are exploited. A future increase in the reserves associated with our oil and gas assets depends not only on the ability of the owner of such assets to explore and develop any properties it may have from time to time, but also on the owner's ability to select and acquire suitable producing properties or prospects. There is a risk that satisfactory properties for acquisition or participation will not be located. Moreover, if such acquisitions or participants are identified, management of our oil and gas assets may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participants uneconomic. There is a risk that additional commercial quantities of oil and natural gas will not be discovered or acquired by the Company.

Current and future oil and natural gas exploration may involve unprofitable efforts, not only from dry wells, but also from wells that are productive but do not produce sufficient petroleum substances to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. Production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

Oil and natural gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations including hazards such as fire, explosion, blowouts, cratering, extreme weather condition sour gas releases and spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment or personal injury. In accordance with industry practice, the Company maintains liability insurance in an amount that it considers consistent with industry practice. Due to the nature of these risks, however, there is a risk that such liabilities could exceed policy limits, in which event the Company could incur significant costs. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations. Losses resulting from the occurrence of any of these risks may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Risks Associated with the Exploration, Development and Production of Oil and Natural Gas May Not Be Insurable

The Company's operations are subject to the risks normally incident to the operation and development of oil and natural gas properties and the drilling of oil and natural gas wells, including encountering unexpected formations or pressures, blow-outs and fires, all of which could result in personal injuries, loss of life and damage to property of the Company and others. In accordance with customary industry practice, the Company is not fully insured against all of these risks, nor are all such risks insurable. Environmental regulation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The Company expects it will be able to fully comply with all regulatory requirements in this regard.

Declines in Oil & Gas Commodity Prices

The marketability and price of oil and natural gas that may be acquired or discovered by the Company is and will continue to be affected by numerous factors beyond its control. If commercial production commences on the Property, the Company's ability to market its oil and natural gas may depend upon its ability to acquire space on pipelines that deliver oil and natural gas to commercial markets. The Company may also be affected by deliverability uncertainties related to the proximity of its reserves to pipelines and processing and storage facilities and operations problems affecting such pipelines and facilities as well as extensive government regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Oil and natural gas prices have fluctuated widely during recent years and may continue to be volatile in the future. If the Company begins commercial production on the Property, any material decline in prices could result in a reduction of net production revenue associated with our oil and gas assets, possibly offset by a reduction in the level of expenditures for the development of the Company's oil and natural gas reserves. The economics of production from some wells may change as a result of lower prices, which could result in reduced production of oil or gas and a reduction in the volumes of the reserves and resources associated with our oil and gas assets. The Company or other parties operating the interests associated with our oil and gas assets might also elect not to produce from certain wells at lower prices. All of these factors could result in a material decrease in the Company's expected net production revenue and a reduction in its oil and gas development and exploration activities. Prices for oil and gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of additional factors beyond the control of the Company. These factors include economic conditions in Europe, the United States, Canada and elsewhere, the actions of OPEC, governmental regulation, political instability in the Middle East and elsewhere, the foreign supply of oil and gas, including the potential for increased supply of gas to Europe from outside Europe, risks of supply disruption, the price of foreign imports, the availability of alternative fuel sources and the potential for increased supply of oil and gas in Europe for unconventional shale oil and shale gas and other services. Any substantial and extended decline in the price of oil and gas would have an adverse effect on the carrying value of the operation of any of our oil and gas assets and may have a material adverse effect on the business, financial condition, results of operations and prospects associated with any of our oil and gas assets.

Volatile oil and gas prices make it difficult to estimate the value of producing properties for acquisition and often cause disruption in the market for oil and gas producing properties, as buyers and sellers have difficulty agreeing on such value. Price volatility also makes it difficult to budget for and project the return on acquisitions and development of exploration projects.

Environmental Regulation

Hazards incident to the exploration and development of oil and gas properties such as accidental spills or leakage of petroleum liquids and other unforeseen conditions may be encountered by the Company. The Company may be subject to liability for pollution and other damages due to hazards, which cannot be insured against due to prohibitive premium costs or for other reasons. Governmental regulations relating to environmental matters could also increase the cost of doing business or require alteration or cessation of operations in certain areas. Existing and possible future environmental legislation, regulations and actions could give rise to additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Regulatory requirements and environmental standards are subject to constant evaluation and may be significantly increased, which could materially and adversely affect the business of the Company or its ability to develop its properties on an economically feasible basis. Before development and production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals will be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude entirely the economic development of a property.

Volatility of the Oil and Gas Industry

Recent market events and conditions, including global excess oil and natural gas supply, recent actions taken by the Organization of the Petroleum Exporting Countries, the impacts of the COVID-19 pandemic, slowing growth in certain global economies, market volatility, and sovereign debt levels in various countries, have caused significant weakness and volatility in commodity prices. These events and conditions could cause a significant decrease in the valuation of oil and gas companies and a decrease in confidence in the oil and gas industry which could have a negative effect on the Company's ability to raise additional funds in the future or if it is able to do so, to do so on unfavourable terms.

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 exploration program or capital expenditure on the Property and there is no assurance that the Company can successfully obtain additional financing to fund such activities.

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.

Permits and Government Regulations

The operations of the Company require it to obtain licenses for operating, permits, and in some cases, renewals of existing licenses and permits from authorities in Argentina. The Company believes that it currently holds or has applied for all necessary licenses and permits to carry on the activities it is currently conducting under applicable laws and regulations in respect of its properties, and also believes that it is complying in all material respects with the terms of such licenses and permits. However, the ability of the Company to obtain, sustain or renew any such licenses and permits on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable authorities or other governmental agencies.

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.

Competition

The oil and natural gas industry is competitive in all of its phases. The Company competes with numerous other organizations in the search for, and the acquisition of, oil and natural gas properties and in the marketing of oil and gas. The Company's competitors include oil and gas companies that may have substantially greater financial resources, staff and facilities than those of the Company. Competition may also be presented by alternate fuel sources.

Climate Change Legislation

The oil and gas industry is subject to environmental regulation pursuant to the local, provincial (or state) and federal legislation, as applicable, within each of the Company's countries of operation. A breach of such legislation may result in the imposition of fines or issuance of clean up orders in respect of the Company or our oil and gas assets, some of which may be material. Furthermore, management of the Company believes the political climate appears to favour new programs for environmental laws and regulation, particularly in relation to the reduction of emissions or emissions intensity, and there is a risk that any such programs, laws or regulations, if proposed and enacted, will contain emission reduction targets which the Company cannot meet, and financial penalties or charges could be incurred as a result of the failure to meet such targets.

Climate change policy is evolving at regional, national and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. Implementation of strategies by any level of government within the countries in which the Company operates, and whether to meet international agreed limits, or as otherwise determined, for reducing greenhouse gases could have a material impact on the operations and financial condition of the Company. In addition, concerns about climate change have resulted in a number of environmental activists and members of the public opposing the continued exploitation and development of fossil fuels. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Company and its operations and financial condition.

Decommissioning, Abandonment and Reclamation Costs

The Company is responsible for compliance with all applicable laws and regulations regarding the decommissioning, abandonment and reclamation of our oil and gas assets at the end of their economic life, the costs of which may be substantial. It is not possible to predict these costs with certainty since they will be a function of regulatory requirements at the time of decommissioning, abandonment and reclamation and the actual costs may exceed current estimates. If decommissioning, abandonment and reclamation is required before economic depletion of our oil and gas assets, or if the estimates of the costs of decommissioning exceed the value of the reserves remaining at any particular time, it may have to draw on funds from other sources to satisfy such costs. The use of other funds to satisfy such decommissioning costs could impair the Company's ability to focus capital in other areas of its business.

Investing in an Emerging Market Entails Certain Inherit Risks

The Company conducts or participates in mining, development, exploration, and other activities in Argentina, which is an emerging market. Investing in emerging markets generally involves risks, which may include:

- expropriation or nationalization of property;
- changes in laws or policies or increasing legal and regulatory requirements of particular countries, including those relating to taxation, royalties, imports, exports, duties, currency, in-country beneficiation or other claims by government entities, including retroactive claims and/or changes in the administration of laws, policies and practices;
- uncertain political and economic environments, war, terrorism, sabotage and civil disturbances;
- lack of certainty with respect to legal systems, corruption and other factors that are inconsistent with the rule of law;
- delays in obtaining or the inability to obtain or maintain necessary governmental permits or to operate in accordance with such permits or regulatory requirements;
- import and export regulations, including restrictions on the export of oil and gas products and resources;
- limitations on the repatriation of earnings;
- underdeveloped industrial or economic infrastructure;
- internal security issues;
- increased financing costs;
- renegotiation, cancellation or forced modification of existing contracts; and
- risk of loss due to disease, and other potential medical endemic or pandemic issues, as a result of the potential related impact to employees, disruption to operations, supply chain delays, trade restrictions and impact on economic activity in affected countries or regions.

Argentina may Experience Economic Problems that could Affect the Company's Business, Financial Condition and Result of Operations

The Company's material project is located in Argentina, and it depends upon local economic and social conditions. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Argentine economies, price instability, inflation, interest rates, regulation, taxation, social instability, political unrest and other developments in or affecting Argentina, over which the Company has no control. Economic and political instability that has been caused by many different factors, including the following:

- adverse external economic factors;
- inconsistent fiscal and monetary policies;
- dependence of governments on external financing;
- changes in governmental economic policies;
- high levels of inflation;
- abrupt changes in currency values;
- high interest rates;
- volatility of exchange rates;
- political and social tensions;
- exchange controls;
- wage and price controls;
- the imposition of trade barriers; and
- trade shock.

Any of these factors could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Economy of Argentina is Vulnerable to External Shocks Caused by Significant Economic Difficulties of Their Respective Trading Partners, or by More General “Contagion” Effects

Weak, flat or negative economic growth or changes in international trade policy of the major trading partners of Argentina could adversely affect its balance of payments and, consequently, its economic growth. Decreased growth affecting such major trading partners could have a material adverse effect on the markets for exports from Argentina, and, in turn, adversely affect economic growth. The Argentine economy may be affected by “contagion” effects. International investors’ reactions to events occurring in one developing country sometimes appear to follow a “contagion” pattern, in which an entire region or investment class is disfavored by international investors. In particular, Argentina has been adversely affected by such contagion effects on a number of prior occasions, including the 1994 Mexican financial crisis, the 1997 Asian financial crisis, the 1998 Russian financial crisis, the 1999 devaluation of the Brazilian real, and the 2001 collapse of Turkey’s fixed exchange rate regime. Additionally, economic growth was negatively affected as a result of the 2008 global financial crisis, and more recently, the COVID-19 pandemic. Similar developments can be expected to affect the Argentine economy in the future, and may accordingly affect the Company’s business, financial position, operations, and results of operations.

We Have Operations in a Country Known to Experience High Levels of Corruption and any Violation of Anti-Corruption Laws Could Subject Us to Penalties and Other Adverse Consequences

We are subject to anti-corruption, anti-bribery, anti-money laundering and other international laws and regulations and are required to comply with the applicable laws and regulations of Argentina and Canada. In general, these laws prohibit improper payments or offers of payments to governments and their officials, political parties, state-owned or controlled enterprises, and/or private entities and individuals for the purpose of obtaining or retaining business. In addition, we are subject to economic sanctions regulations that restrict our dealings with certain sanctioned countries, individuals and entities. Our primary operations are located in Argentina, which is perceived as having relatively high levels of corruption. Our activities in this country create the risk of unauthorized payments or offers of payments by one of our employees, contractors, agents, or users that could be in violation of various laws, including anti-bribery laws in these countries. In addition, our ability to secure permits, renewals or other government approvals required to maintain our operations could be negatively impacted by corruption in one or more governmental institutions in Argentina. We have adopted various measures which mandate compliance with these anti-corruption, anti-bribery and anti-money laundering laws, and have implemented training programs, compliance controls and procedures, and reviews and audits to ensure compliance with such laws. However, there can be no assurance that our internal controls, and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of such laws, regulations and requirements by our affiliates, employees, directors, officers, partners, agents and service providers, or that any such persons will not take actions in violation of our policies and procedures, for which we may be ultimately responsible. Any violations by us of anti-bribery and anti-corruption laws or sanctions regulations could have a material adverse effect on our business, reputation, results of operations and financial condition. We cannot predict the nature, scope or effect of future anti-corruption regulatory requirements to which our operations might be subject or the manner in which existing laws might be administered or interpreted.

Argentina Has Experienced Significant Political and Socio-Economic Instability in the Past, and May Experience Further Instability in the Future

Argentina has experienced significant political and social economic instability in the past and may experience further instability in the future. In 2001 and 2002, Argentina suffered a major political, economic and social crisis, which resulted in institutional instability and a severe contraction of the economy with significant increases in unemployment and poverty rates. Among other consequences, the crisis caused a large currency devaluation and led to the government of Argentina defaulting on its external debt. In response, the government of Argentina implemented a series of emergency measures, including strict foreign exchange restrictions and monthly limits on bank withdrawals, which affected public companies and other sectors of the Argentine economy. The Argentine economy experienced a recovery after the 2001 – 2002 crisis, however, since 2008, it has struggled to curb strong inflationary pressures and growth stagnated starting in 2012.

During the first half of 2018, the Argentine economy entered into an acute economic recession, which deepened in 2019, with a sharp decrease in international reserves, a material loss in the value of the Argentine peso vis-à-vis the US dollar, high inflation and unemployment rates and an increase in poverty and extreme poverty rates. Against this economic backdrop, in December 2019, the Argentine congress enacted legislation declaring a state of public emergency in economic, financial, fiscal, administrative, pensions, tariff, energy, health and social matters, which was in force until December 31, 2020, and was further extended in terms of health until December 31, 2021.

Argentine economic conditions are dependent on a variety of factors, including (but not limited to) the following:

- international demand for Argentina's principal exports;
- international prices for Argentina's principal commodity exports;
- stability and competitiveness of the Argentine Peso with respect to foreign currencies;
- competitiveness and efficiency of domestic industries and services;
- levels of domestic consumption and foreign and domestic investment and financing; and
- the rate of inflation.

Argentina's ability to obtain financing from international markets is limited. Without renewed access to the financial market the Argentine government may not have the financial resources to implement reforms and boost growth, which could have a significant adverse effect on the country's economy and, consequently, on our activities. In addition, the Argentine government has engaged in conversations with the International Monetary Fund in order to renegotiate the principal maturities of certain amounts disbursed in 2018 and 2019, and it is uncertain whether the Argentine government will be successful in the negotiations with that agency.

The ultimate impact of each of these measures on the Argentine economy as well as the ability to implement all announced measures as currently contemplated, cannot be assured. If the government of Argentina's agenda cannot be successfully implemented, the result may further weaken confidence in and adversely affect the Argentine economy and financial condition. Any worsening in the Argentine economy or financial condition could have a material adverse effect on companies operating in Argentina, including the Company.

Argentina is Subject to Frequent and Unpredictable Changes in Tax Rates, Capital Controls, and Foreign Exchange Restrictions, Which may Restrict or Affect the Profitability of the Company's Operations in Argentina

In the past, Argentine tax laws have changed frequently and dramatically. In 2018, the government of Argentina introduced a decree imposing a temporary tax on all exports from Argentina. The tax was introduced as an emergency measure due to the significant peso devaluation during the year. In December 2019, the government of Argentina approved a law delaying a scheduled corporate tax rate decrease from 30% to 25% to the end of 2020 (after that the government submitted a bill in order to maintain the 30% rate until the end of 2021) and extending the temporary export tax introduced in September 2018 to the end of 2021. Furthermore, the decree suspended the increase in the dividend withholding tax from 7% to 13% until January 2021. Recently, the National Government submitted a bill by which it would permanently increase the corporate tax rate to 35% for certain types of companies and maintain the 7% rate for dividends (the bill is expected to be approved by the National Congress and it would be effective for fiscal year 2021).

Argentine federal, provincial and other local taxation authorities may apply tax rules and regulations in an inconsistent and unpredictable manner. In addition, tax rules and regulations may change over time. If any taxation authority takes a position or adopts an interpretation that differs from those adopted by Company, we could become subject to unanticipated tax liabilities and cost increases, which could negatively affect our financial condition and results of operations.

Argentina has also been subject to exchange controls and restrictions. In 2001 and 2002, following a run on the financial system triggered by the public's lack of confidence in the continuity of the convertibility regime that resulted in massive capital outflows, the government of Argentina introduced exchange controls and restrictions on the transfer of foreign currency in an attempt to prevent capital flight and a further depreciation of the Argentine peso. Several of those exchange controls and transfer restrictions were subsequently suspended or terminated. However, in June 2005, the government of Argentina established new controls on capital flows. From 2011 until December 2015, the government of Argentina increased controls on the sale of foreign currency and the acquisition of foreign assets by local residents, limiting the possibility of transferring funds abroad. Regulations were introduced in 2012 that subjected certain foreign exchange transactions to prior approval by Argentine tax authorities or the Central Bank of

Argentina. In August 2016, the government of Argentina eliminated all foreign exchange restrictions imposed since 2011. In September 2019 and in May and June 2020, the Central Bank of Argentina imposed further restrictions on foreign exchange transactions. To date, these controls and regulations have included, but are not limited to, a requirement that proceeds of exports be repatriated at the applicable exchange rate; restrictions on payment of dividends without the approval of the Argentinian Central Bank; and restrictions on debt from foreign lenders, unless such debt is brought into Argentina at the applicable exchange rate. The government of Argentina may expand these controls or introduce new restrictions.

Changes in taxes, capital controls, and foreign exchange regulations in Argentina are beyond the Company's control. Increased tax rates, or the imposition of stricter capital controls or foreign exchange regulations and could increase the operating costs at the Property, prevent or restrict exploration, development, and production at the Property, and may constrain the Company's ability to receive distributions from its Argentine subsidiaries.

Risk of Nationalization of Assets in Argentina

In May 2012, the previous government of Argentina re-nationalized Repsol YPF SA, the country's largest oil and gas company. There can be no assurance that the government of Argentina will not nationalize other businesses operating in the country, including the business of the Company. If any portion of the Company's assets are expropriated or nationalized, there can be no assurance that the Company would receive payment equal to their fair market value. Nationalization of any of the Company's assets in Argentina could have a material adverse effect on the Company's business, operations, cash flows, and financial condition. The Company has not purchased any "political risk" insurance coverage and currently has no plans to do so.

Changes in Argentinean Environmental Legislation could have Adverse Effects on Our Operations

The Company's exploration activities and future oil and gas operations in Argentina are and will be subject to laws and regulations relating to the protection and remediation of the environment. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain oil and gas industry operations, which would result in environmental pollution. These laws, regulations and the governmental policies for implementation of such laws and regulations change from time to time and are generally becoming more restrictive. The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations and changes to existing laws and regulations (including the imposition of higher taxes and oil and gas royalties) could cause additional expenses or capital expenditure, or result in restrictions or delays in the Company's development plans.

Title to Assets

Searches of oil and gas records are carried out in accordance with oil and gas industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of oil and gas claims and concessions are often uncertain and may be contested. The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to the Property and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests. In addition, third parties may dispute the rights of the Company to its respective oil interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

Negative Cash Flows from Operations

For the six months ended June 30, 2023, the year ended December 31, 2022, and the year ended December 31, 2021 the Company had negative cash flow from operating activities of $66,041, $35,312, and $6,409 respectively. 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 an 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 oil and gas extraction 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 oil and gas 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

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

Except as otherwise disclosed in this Prospectus (in particular, under the heading "*Directors and Executive Officers – Corporate Cease Trade Orders or Bankruptcies*"), 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 at 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

LEGAL PROCEEDINGS

Legal Proceedings

The Company is not currently a party to any legal proceedings, nor is the Company currently contemplating any legal proceedings, which are material to its business. 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).

AUDITORS

The auditor of the Company is Buckley Dodds CPA, having an address at 2700-1177 West Hastings Street, Vancouver, BC, V6E 2K3.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Company is Endeavor Trust Corporation, of Suite 1150 - 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 ●; and

2. the Escrow Agreement dated ●.

Copies of the material contracts will be available under the Company's profile at www.sedar.com 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 El Carmen Report was prepared by Sproule International Limited. Sproule and the Authors who prepared the El Carmen Report on behalf of Sproule do not own any securities of the Company.

Buckley Dodds CPA, 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 financial year ended December 31, 2021, the financial year ended December 31, 2022, and for the six months ended June 30, 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:

<u>External Auditor</u>

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.

<u>Financial Statements and Financial Information</u>

The Audit Committee will:

(a) *Review Audited Financial Statements*. Review the audited 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 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 Company 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.

<u>Risk Management, Internal Controls and Information Systems</u>

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 SIX MONTH PERIOD ENDED JUNE 30, 2023, THE FINANCIAL YEAR ENDED DECEMBER 31, 2022 AND THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

[See attached]

BGX - Black Gold Exploration Corp.

(Formerly 1280582 BC Ltd.)

Condensed Interim Financial Statements

For the six months ended

June 30, 2023

(Expressed in Canadian Dollars)

BGX - Black Gold Exploration Corp.

(Formerly 1280582 BC Ltd.)

Condensed Interim Financial Statements
June 30, 2023
(Expressed in Canadian Dollars)

INDEX	**PAGE**

BGX - Black Gold Exploration Corp.

Condensed Interim Statements of Financial Position
As at
(Expressed in Canadian Dollars)
(Unaudited)

		June 30, 2023		December 31, 2022
ASSETS				
Current assets				
Cash		36,664		1,230,224
Investment GIC (Note 6)		1,140,000		-
Deposit and prepaid		5,000		-
Receivables		4,545		2,009
TOTAL ASSETS	**$**	**1,186,209**	**$**	**1,232,233**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		39,301		19,487
Subscription received in advance (Note 8)		820,022		819,819
Total Current Liabilities	$	**859,323**	**$**	**839,306**
SHAREHOLDERS' EQUITY				
Share capital (Note 8)		435,000		435,000
Deficit		(108,114)		(42,073)
Total Shareholders' Equity		326,886		392,927
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**1,186,209**	**$**	**1,232,233**

Nature of operations (Note 1)

Approved by the Director on July 31, 2023
/s/ Michael Sato

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

BGX - Black Gold Exploration Corp.

Condensed Interim Statements of Loss and Comprehensive Loss
For the three and six months ended June 30, 2023 and 2022
(Expressed in Canadian Dollars)
(Unaudited)

		Three months ended June 30, 2023 $	Three months ended June 30, 2022 $	Six months ended June 30, 2023 $	Six months ended June 30, 2022 $
Operating Expenses					
Advertisement and promotions		-	5,000	-	5,000
Professional fees		18,000	12,000	38,000	12,000
Audit fees		7,000	-	7,000	-
Legal expense		12,506	2,704	12,506	2,826
Regularity fees		22	22	222	301
Travel expense		-	-	7,947	-
General Admin		35	1,064	366	1,090
Net and Comprehensive Loss	**$**	**(37,563)**	**(20,790)**	**(66,041)**	**(21,217)**
Loss per share – basic and diluted	**$**	**(0.01)**	**(0.01)**	**(0.03)**	**(0.01)**
Weighted average number of shares outstanding – basic and diluted		**2,550,000**	**2,550,000**	**2,550,000**	**2,198,895**

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

BGX - Black Gold Exploration Corp.

Condensed Interim Statements of Changes in Shareholders' Equity
For the six months ended June 30, 2023 and 2022
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital				
	Number	**Amount**	**Special Warrants**	**Deficit**	**Total**
		$	**$**	**$**	**$**
Balance at December 31, 2021	500,000	25,000	410,000	(6,761)	428,239
Conversion of special warrants (Note 8)	2,050,000	410,000	(410,000)	-	-
Net loss for the period	-	-	-	(21,217)	(21,217)
Balance at June 30, 2022	2,550,000	435,000	-	(27,978)	407,022
Balance at December 31, 2022	**2,550,000**	**435,000**	**-**	**(42,073)**	**392,927**
Net loss for the period	-	-	-	(66,041)	(66,041)
Balance at June 30, 2023	**2,550,000**	**435,000**	**-**	**(108,114)**	**326,886**

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

BGX - Black Gold Exploration Corp.

Condensed Interim Statements of Cash Flows
For the six months ended June 30, 2023 and 2022
(Expressed in Canadian Dollars)
(Unaudited)

		June 30, 2023	June 30, 2022
Operating Activities			
Net loss	$	(66,041)	(21,217)
Changes in non-cash working capital:			
Receivables		(2,536)	(1,035)
Deposits and prepaid		(5,000)	-
Accounts payable and accrued liabilities		19,814	15,620
Subscription received in advance		203	582,063
Due to shareholders		-	(352)
Net cash used in operating activities	**$**	**(53,560)**	**575,079**
Investing Activities			
Investment GIC		(1,140,000)	-
Net cash used in investing activities		**(1,140,000)**	**-**
Change in cash during the period		**(1,193,560)**	**575,079**
Cash beginning of the period		1,230,224	431,816
Cash, ending of the period	**$**	**36,664**	**1,006,895**

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

1. Nature of Operations and Going Concern

BGX - Black Gold Exploration Corp. (formerly 1280582 BC Ltd.) (the "Company") was incorporated on December 21, 2020 in the Province of British Columbia. On February 24, 2022, the Company's name changed from 1280582 BC Ltd. to BGX - Black Gold Exploration Corp. The Company is in the business of acquiring and exploring oil and gas assets. The registered office of the Company is located at 6th floor- 905 West Pender Street Vancouver, BC V6C 1L6.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern under International Financial Reporting Standards ("IFRS"). The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operation.

The Company has incurred net losses since inception and as at June 30, 2023 has a deficit of $108,114 (December 31, 2022 of $42,073). The Company's continuation as a going concern is dependent upon its ability to develop and attain profitable operations and generate funds from therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and/or private placement of common shares. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed interim financial statements do not include any adjustments to the recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Statement of Compliance and Basis of Presentation

Statement of compliance

These condensed interim financial statements comply with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The condensed interim financial statements were authorized for issue by the Board of Directors on July 31, 2023.

Basis of presentation

These condensed interim financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be measured at fair value in subsequent periods and have been prepared using the accrual basis of accounting except for cash flow information.

Significant accounting estimates and judgements

Significant estimates and assumptions

The preparation of the condensed interim financial statements in conformity with IFRS requires management to make certain estimates, judgments 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 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 period include determining the fair value of financial liabilities and the measurement of deferred income tax assets and liabilities.

Significant judgements

The preparation of condensed interim 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 in applying 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.

3. Significant Accounting Policies

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the year ended December 31, 2022, and have been consistently followed in the preparation of these condensed interim financial statements.

The accounting policies in these condensed interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended December 31, 2022.

4. Risk Management and Financial Instruments

The Company's financial instruments consist of cash, short-term investments in Guaranteed Investment Certificates, receivables, accounts payable and subscriptions received in advance. Fair value of financial assets and liabilities, information related to risk management positions and discussion of risks associated with financial assets and liabilities are presented as follows:

Fair value

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived prices); and
- Level 3: inputs for the asset or liability that are not based upon observable market data.

Cash under the fair value hierarchy was recorded based on Level 1 inputs. The fair values of other financial instruments, which include short-term investments in Guaranteed Investment Certificates, receivables, accounts payable and subscriptions received in advance, approximate their carrying values due to the relatively short term maturity of these instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. Receivables are government sales tax receivable from the Canada Revenue Agency. The Guaranteed Investment Certificates are secured investments that the Company is able to sell into cash on demand. Management believes that credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company maintained cash at June 30, 2023 in the amount of $36,664 and Guaranteed Investment Certificates of $1,140,000 to meet short-term business requirements. At June 30, 2023, the Company had accounts payable of $27,704. All of the Company's current financial liabilities have contractual maturities of less than 90 days. Liquidity risk is assessed as low.

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. These fluctuations may be significant.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest-bearing borrowings.

4. Risk Management and Financial Instruments (continued)

(ii) Foreign exchange rate risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not currently exposed to foreign exchange risk.

(iii) Price risk
The Company is not exposed to significant price risk.

5. Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company considers the items included in shareholders' equity as capital. The Company's primary source of capital comes from the issuance of equity instruments.

The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek to additional funding through issuance of securities or new debt. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long-term but recognizes there will be risks involved that may be beyond its control. There were no changes to the Company's capital management approach during the six months ended June 30, 2023. The Company is not subject to any externally imposed capital requirements.

6. Investment GIC

On May 8, 2023, the Company made an investment of $1,140,000 in a Guaranteed Investment Certificate (GIC) that is set to mature on August 16, 2023. The GIC carries an annual interest rate of 4.2%, and the interest will be payable upon maturity.

7. Related Party Transactions

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

During the three months and six months periods ended June 30, 2023 and 2022, there were no transactions between the Company and related parties.

As at June 30, 2023, $Nil (December 31, 2022 - $Nil), was owing to related parties of the Company.

8. Share Capital

Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Issued and outstanding

On August 26, 2021, the Company issued a total of 500,000 special warrants (each a “Special Warrant”) at $0.05 per Special Warrant for a total consideration of $25,000. On December 27, 2021, each Special Warrant was converted automatically into units of the Company (a “Unit”) at $0.05 per unit, comprising of one common share and one common share purchase warrant (a “Warrant”). Each Warrant is exercisable into one common share at an exercise price of $0.05 for a period of five years to December 27, 2026.

On September 30, 2021, the Company issued a total of 2,050,000 special warrants (each a “Special Warrant”) at $0.20 per Special Warrant for total consideration of $410,000. On January 31, 2022, each Special Warrant was converted automatically into units of the Company (a “Unit”) at $0.02 per unit, comprising of one common share and one common share purchase warrant (a “Warrant”). Each Warrant is exercisable into one common share at an exercise price of $0.20 for a period of five years to January 31, 2027.

Subscription in Advance

During the six months ended June 30, 2023, the Company accepted subscriptions in advance for a total of 135 units at $1.50 per unit for a total consideration of $203. Upon the closing of the subscription agreement, the units, comprising of one common share (an “Underlying Share”) and one share purchase warrant (each a “Warrant”), will be issued. Each Warrant is exercisable into one Underlying Share at an exercise price of $3.00 for a period of three years from the date of issuance.

During the year ended December 31, 2022, the Company accepted subscription agreements for a total of 88,630 special warrants (each a “Special Warrant”) at $1.50 per Special Warrant for a total consideration of $132,945. Upon the closing of the agreement, the Special Warrants will be issued and converted automatically into units of the Company (a “Unit”) comprising of one common share and one share purchase warrant (a “Warrant”). Each Warrant is exercisable into one common share at an exercise price of $3.00 for a period of three years from the date on which the Company’s shares commence trading on a Canadian Securities Exchange, subject to acceleration. The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the common shares is received by the Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance.

During the year ended December 31, 2022, the Company accepted subscriptions in advance for a total of 457,916 units at $1.50 per unit for a total consideration of $686,874. Upon the closing of the agreement, the units, comprising of one common share (an “Underlying Share”) and one share purchase warrant (each a “Warrant”), will be issued. Each Warrant is exercisable into one Underlying Share at an exercise price of $3.00 for a period of three years from the date of issuance.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

Common Shares

A summary of the Company's common shares is as follows:

	Number of Common Shares	Fair Value per Share $	Fair Value of Shares $
Balance, January 1, 2021	-	-	-
Issued	500,000	0.05	25,000
Balance at December 31, 2021	500,000	0.05	25,000
Issued	2,050,000	0.20	410,000
Balance at December 31, 2022 and June 30, 2023	2,550,000	0.17	435,000

Share Purchase Warrants

A summary of the Company's share purchase warrants is as follows:

	June 30, 2023		December 31, 2022	
	Number of Warrants	Weighted Average Exercise Price $	Number of Warrants	Weighted Average Exercise Price $
Warrants outstanding - beginning of period/year	2,550,000	0.17	500,000	0.05
Issued	-	-	2,050,000	0.20
Warrants outstanding - end of period/year	2,550,000	0.17	2,550,000	0.17

Number of Warrants	Exercise Price $	Remaining Contractual Life (years)	Expiry Date
500,000	0.05	3.50	December 27, 2026
2,050,000	0.20	3.59	January 31, 2027

(Expressed in Canadian Dollars)

8. Share Capital (continued)

Special Warrants

A summary of the Company's special warrants is as follows:

	Number of Special Warrants	Price per Special Warrant $
Balance, January 1, 2021	-	-
Issued	500,000	0.05
Issued	2,050,000	0.20
Exercised	(500,000)	0.05
Balance at December 31, 2021	2,050,000	0.20
Exercised	(2,050,000)	0.20
Balance at December 31, 2022 and June 30, 2023	-	-

On August 26, 2021, the Company issued a total of 500,000 special warrants (each a "Special Warrant") at $0.05 per Special Warrant for a total consideration of $25,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance. On December 27, 2021, the Special Warrants were exercised into 500,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.05 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

On September 30, 2021, the Company issued a total of 2,050,000 special warrants (each a "Special Warrant") at $0.20 per Special Warrant for total consideration of $410,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) 4 months following the date of issuance. On January 31, 2022, the Special Warrants were exercised into 2,050,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.20 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

9. Subsequent Events

On January 30, 2023, the company entered into an agreement to purchase an oil and gas asset, El Carmen ("The Property"), from International Iconic Gold Exploration Corporation ("ICON"), a publicly traded company on the TSX Venture. On April 12, 2023, the agreement was further amended to purchase from ICON its 95% interest in Spinell SA, the owner of the property, in exchange for 100,000 common shares of the Company at a deemed price of $1 per share. An additional 2,000,000 shares of the Company at a deemed price of $1 per share will be issued to ICON in escrow and released as follows: (i) 1,000,000 shares of the Company will be released upon the Property entering production of natural gas; and (ii) 1,000,000 shares of the Company will be released upon the Property entering production of oil. On July 7, 2023, the transaction was closed.

On July 26, 2023, the company completed a non-brokered private placement (the "Offering") of 90,627 special warrants of the Company (each a "Special Warrant"), convertible into units of the Company at $1.50 per Special Warrant for gross proceeds of $135,941 with each unit consisting of one common share of the Company and one transferable common purchase warrant (a "Warrant"), with each Warrant being exercisable into one common share of the Company at an exercise price of $3 per common share for a period of 36 months after the closing of the Offering, subject to acceleration provision and any additional terms contained in the certificates presenting the warrants.

BGX - Black Gold Exploration Corp.

(Formerly 1280582 BC Ltd.)

Financial Statements

For the years ended

December 31, 2022 and 2021

(Expressed in Canadian Dollars)

BGX - Black Gold Exploration Corp.

(Formerly 1280582 BC Ltd.)

Financial Statements

December 31, 2022 and 2021

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of BGX – Black Gold Exploration Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BGX – Black Gold Exploration Corp. (formerly 1280582 BC Ltd.) (the "Company"), which comprise the statements of financial position as at December 31, 2022 and December 31, 2021, and the statements of loss and comprehensive loss, statements of changes in shareholders' equity and statements of cash flows for the years ended December 31, 2022 and December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and December 31, 2021, and its financial performance and its cash flows for the years ended December 31, 2022 and December 31, 2021 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

Without qualifying our opinion, we draw attention to Note 1 to the financial statements which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Key Audit Matters

Key audit matters are those matters, in our professional judgment, were of most significance in our audit of the financial statements for the current year. 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 matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and the Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, included in Management's Discussion and Analysis report.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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 Junaid Hassam.

Vancouver, British Columbia
Audit report date

Buckley Dodds CPA
Chartered Professional Accountants

BGX - Black Gold Exploration Corp.
Statements of Financial Position
As at December 31, 2022 and 2021
(Expressed in Canadian Dollars)

		2022		2021
ASSETS				
Current assets				
Cash		1,230,224		431,816
Receivables		2,009		308
TOTAL ASSETS	**$**	**1,232,233**	**$**	**432,124**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		19,487		3,533
Subscription received in advance (Note 1, 7)		819,819		-
Due to related parties (Note 6)		-		352
Total Current Liabilities	$	**839,306**	**$**	**3,885**
SHAREHOLDERS' EQUITY				
Share capital (Note 7)		435,000		25,000
Special warrants (Note 7)		-		410,000
Deficit		(42,073)		(6,761)
Total Shareholders' Equity		392,927		428,239
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**1,232,233**	**$**	**432,124**

Nature of operations (Note 1)

Approved by the Director on July 31, 2023
/S/ Michael Sato, Director

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

BGX - Black Gold Exploration Corp.

Statements of Loss and Comprehensive Loss
For the years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

		2022		2021
Operating Expenses				
Advertisement and promotions		5,000		-
General administration		10,584		3,034
Legal expense		3,382		3,375
Professional fees		16,000		-
Regulatory fees		346		-
Net Loss and Comprehensive Loss	**$**	**(35,312)**	**$**	**(6,409)**
Loss per share – basic and diluted	**$**	**(0.01)**	**$**	**(1.17)**
Weighted average number of shares outstanding – basic and diluted		**2,375,890**		**5,479**

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

BGX - Black Gold Exploration Corp.
Statements of Changes in Shareholders' Equity
For the years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

	Share Capital				
	Number	**Amount**	**Special Warrants**	**Deficit**	**Total**
		$	**$**	**$**	**$**
Balance at December 31, 2020	**-**	**-**	**-**	**(352)**	**(352)**
Special warrants private placement (Note 7)	-	-	25,000	-	25,000
Special warrants private placement (Note 7)	-	-	410,000	-	410,000
Conversion of special warrants (Note 7)	500,000	25,000	(25,000)	-	-
Net loss for the year	-	-	-	(6,409)	(6,409)
Balance at December 31, 2021	**500,000**	**25,000**	**410,000**	**(6,761)**	**428,239**
Conversion of special warrants (Note 7)	2,050,000	410,000	(410,000)	-	-
Net loss for the year	-	-	-	(35,312)	(35,312)
Balance at December 31, 2022	**2,550,000**	**435,000**	**-**	**(42,073)**	**392,927**

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

BGX - Black Gold Exploration Corp.

Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

		2022		2021
Operating Activities				
Net loss	$	(35,312)	$	(6,409)
Changes in non-cash working capital:				
Receivables		(1,701)		(308)
Accounts payable		15,954		-
Subscription received in advance		819,819		-
Due to related parties		(352)		-
Net cash used in operating activities	**$**	**798,408**	**$**	**(6,717)**
Financing Activities				
Proceeds from issuance of special warrants		-		435,000
		-		435,000
Change in cash during the year		**798,408**		**428,283**
Cash beginning of the year		431,816		-
Cash, ending of the year	**$**	**1,230,224**	**$**	**428,283**

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

1. Nature of Operations and Going Concern

BGX - Black Gold Exploration Corp. (formerly 1280582 BC Ltd.) (the "Company") was incorporated on December 21, 2020 in the Province of British Columbia. On February 24, 2022, the Company's name changed from 1280582 BC Ltd. to BGX - Black Gold Exploration Corp. The Company is in the business of acquiring and exploring oil and gas assets. The registered office of the Company is located at A201 - 9000 Bill Fox Way Burnaby, BC V5J 5J3.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern under International Financial Reporting Standards ("IFRS"). The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operation.

The Company has incurred net losses since inception and as at December 31, 2022 and has a deficit of $42,073 (2021 - $6,761). The Company's continuation as a going concern is dependent upon its ability to develop and attain profitable operations and generate funds from therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and/or private placement of common shares. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

These financial statements do not include any adjustments to the recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Statement of Compliance and Basis of Presentation

Statement of compliance

These financial statements comply with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements were authorized for issue by the Board of Directors on July 31, 2023.

Basis of presentation

These financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be measured at fair value in subsequent periods and have been prepared using the accrual basis of accounting except for cash flow information.

Significant accounting estimates and judgements

Significant estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make certain estimates, judgments 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 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 period include determining the fair value of financial liabilities and the measurement of deferred income tax assets and liabilities.

Significant judgements

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 in applying 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.

3. Significant Accounting Policies

Financial instruments

Classification

The Company classifies its financial instruments under IFRS 9 in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets at FVTOCI
Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in the other comprehensive income (loss).

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in the statement of comprehensive loss.

Impairment of financial assets at amortized cost

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

3. Significant Accounting Policies (continued)

Financial instruments (continued)

of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized

<u>Derecognition</u>

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

Financial liabilities
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of comprehensive loss.

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

Asset or Liability	Category
Cash	FVTPL
Receivables	Amortized cost
Accounts payable	Amortized cost
Subscriptions received in advance	Amortized cost
Due to related parties	Amortized cost

Cash

Cash comprises cash in bank, and funds held in trust, which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Functional currency

The Company's presentation and functional currency is the Canadian dollar.

Share capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are recognized in equity as a reduction from the gross proceeds received from the issued shares.

3. Significant Accounting Policies (continued)

Share capital (continued)

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as a component of reserves.

Loss per share

Basic loss per share is calculated by dividing the net loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the weighted average number of common shares outstanding for the effects of dilutive instruments such as options granted to employees. The effects of anti-dilutive potential units are ignored in calculating diluted earnings per share. All options and warrants are considered anti-dilutive when the Company is in a loss position.

Related party transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

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 countries 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 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.

3. Significant Accounting Policies (continued)

Deferred income tax

Deferred income tax is provided using the balance sheet method 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.

4. Risk Management and Financial Instruments

The Company’s financial instruments consist of cash, receivables, accounts payable, subscriptions received in advance and due to related parties. Fair value of financial assets and liabilities, information related to risk management positions and discussion of risks associated with financial assets and liabilities are presented as follows:

Fair value

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived prices); and
- Level 3: inputs for the asset or liability that are not based upon observable market data.

Cash under the fair value hierarchy was recorded based on Level 1 inputs. The fair values of other financial instruments, which include receivables, accounts payable, subscriptions received in advance and due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. Receivables are government sales tax receivable from the Canada Revenue Agency. Management believes that credit risk is minimal.

4. Risk Management and Financial Instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company maintained cash at December 31, 2022 in the amount of $1,230,224 to meet short-term business requirements. At December 31, 2022, the Company had accounts payable of $19,487. All of the Company's current financial liabilities have contractual maturities of less than 90 days. Liquidity risk is assessed as low.

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. These fluctuations may be significant.

(i) Interest rate risk
Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest-bearing borrowings.

(ii) Foreign exchange rate risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not currently exposed to foreign exchange risk.

(iii) Price risk
The Company is not exposed to significant price risk.

5. Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company considers the items included in shareholders' equity as capital. The Company's primary source of capital comes from the issuance of equity instruments.

The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek to additional funding through issuance of securities or new debt. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long-term but recognizes there will be risks involved that may be beyond its control. There were no changes to the Company's capital management approach during the year ended December 31, 2022. The Company is not subject to any externally imposed capital requirements.

6. Related Party Transactions

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

During the year ended December 31, 2021, a director of the Company purchased 25,000 special warrants in cash at a price of $0.20 per share for a total consideration of $5,000.

As at December 31, 2022, the Company owed $nil (December 31, 2021 - $352) to a director of the Company.

7. Share Capital

Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Issued and outstanding

On August 26, 2021, the Company issued a total of 500,000 special warrants (each a "Special Warrant") at $0.05 per Special Warrant for a total consideration of $25,000. On December 27, 2021, each Special Warrant was converted automatically into units of the Company (a "Unit") comprising of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.05 for a period of five years to December 27, 2026.

On September 30, 2021, the Company issued a total of 2,050,000 special warrants (each a "Special Warrant") at $0.20 per Special Warrant for total consideration of $410,000. On January 31, 2022, each Special Warrant was converted automatically into units of the Company (a "Unit") comprising of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.20 for a period of five years to January 31, 2027.

Subscription in Advance

During the year ended December 31, 2022, the Company accepted subscription agreements for a total of 88,630 special warrants (each a "Special Warrant") at $1.50 per Special Warrant for a total consideration of $132,945. Upon the closing of the agreement, the Special Warrants will be issued and converted automatically into units of the Company (a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $3.00 for a period of three years from the date on which the Company's shares commence trading on a Canadian Securities Exchange, subject to acceleration. The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the common shares is received by the

(Expressed in Canadian Dollars)

Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance.

7. Share Capital (continued)

Subscription in Advance (continued)

During the year ended December 31, 2022, the Company accepted subscriptions in advance for a total of 457,916 units at $1.50 per unit for a total consideration of $686,874. Upon the closing of the agreement, the units, comprising of one common share (an "Underlying Share") and one share purchase warrant (each a "Warrant"), will be issued. Each Warrant is exercisable into one Underlying Share at an exercise price of $3.00 for a period of three years from the date of issuance.

The following tables show common shares, share purchase warrants and special warrants issued and outstanding for the year ended December 31, 2022 and 2021**.**

Common Shares

	Number of Common Shares	Fair Value per Share $	Fair Value of Shares $
Balance, January 1, 2021	-	-	-
Issued	500,000	0.05	25,000
Balance at December 31, 2021	500,000	0.05	25,000
Issued	2,050,000	0.20	410,000
Balance at December 31, 2022	2,550,000	0.17	435,000

Share Purchase Warrants

	December 31, 2022		December 31, 2021	
	Number of Warrants	Weighted Average Exercise Price $	Number of Warrants	Weighted Average Exercise Price $
Warrants outstanding - beginning of year	500,000	0.05	-	-
Issued	2,050,000	0.20	500,000	0.05
Warrants outstanding - end of year	2,550,000	0.17	500,000	0.05

Number of Warrants	Exercise Price $	Remaining Contractual Life (years)	Expiry Date

500,000	0.05	5	December 27, 2026
2,050,000	0.20	5	January 31, 2027

7. Share Capital (continued)

Special Warrants

A summary of the Company's special warrants for the year ended December 31, 2022 and December 31, 2021 is as follows:

	Number of Special Warrants	Price per Special Warrant $
Balance, January 1, 2021	-	-
Issued	500,000	0.05
Issued	2,050,000	0.20
Exercised	(500,000)	0.05
Balance at December 31, 2021	2,050,000	0.20
Exercised	(2,050,000)	0.20
Balance at December 31, 2022	-	-

On August 26, 2021, the Company issued a total of 500,000 special warrants (each a "Special Warrant") at $0.05 per Special Warrant for a total consideration of $25,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance. On December 27, 2021, the Special Warrants were exercised into 500,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.05 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

On September 30, 2021, the Company issued a total of 2,050,000 special warrants (each a "Special Warrant") at $0.20 per Special Warrant for total consideration of $410,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) 4 months following the date of issuance. On January 31, 2022, the Special Warrants were exercised into 2,050,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.20 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

(Expressed in Canadian Dollars)

8. Income Taxes

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27% to income before income taxes. A reconciliation of income taxes at statutory rates with reported taxes as follows:

		December 31, 2022	December 31, 2021
Net loss for the year	$	(35,312)	(6,409)
Statutory income tax rate		27%	27%
Income tax benefit computed at statutory tax rate		(9,500)	(1,700)
Unrecognized benefit of deferred income tax assets		9,500	1,700
Income tax expense	$	-	-

As at December 31, 2022, the Company had non-capital losses carried forward of approximately $42,000 which may be utilized to reduce future years' taxable income and expire in 2041 and 2042.

Deferred income tax assets have not been recognized in respect of these items because it is not probable that the Company will be able to generate sufficient taxable income upon which these deferred tax assets can be realized.

9. Subsequent Events

On January 30, 2023, the company entered into an agreement to purchase an oil and gas asset, El Carmen ("The Property"), from International Iconic Gold Exploration Corporation ("ICON") , a publicly traded company on the TSX Venture. On April 12, 2023, the agreement was further amended to purchase from ICON its 95% interest in Spinell SA, the owner of the property, in exchange for 100,000 common shares of the Company at a deemed price of $1 per share. An additional 2,000,000 shares of the Company at a deemed price of $1 per share will be issued to ICON in escrow and released as follows: (i) 1,000,000 shares of the Company will be released upon the Property entering production of natural gas; and (ii) 1,000,000 shares of the Company will be released upon the Property entering production of oil. On July 7, 2023, the transaction was closed.

On July 26, 2023, the company completed a non-brokered private placement (the "Offering") of 90,627 special warrants of the Company (each a "Special Warrant"), convertible into units of the Company at $1.50 per Special Warrant for gross proceeds of $135,941 with each unit consisting of one common share of the Company and one transferable common purchase warrant (a "Warrant"), with each Warrant being exercisable into one common share of the Company at an exercise price of $3 per common share for a period of 36 months after the closing of the Offering, subject to acceleration provision and any additional terms contained in the certificates presenting the warrants.

SCHEDULE "C"

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2023, THE FINANCIAL YEAR ENDED DECEMBER 31, 2022 AND THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

[See attached]

MANAGEMENT DISCUSSION AND ANALYSIS FOR
BGX- BLACK GOLD EXPLORATION CORP.
(FORMERLY 1280582 BC Ltd)

FOR THE SIX MONTHS ENDED JUNE 30, 2023

Prepared as of July 31, 2023

Contact Information
BGX- Black Gold Exploration Corp.

Registered office:
6th Floor – 905 West Pender Street Vancouver, BC V6C 1L6

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of BGX- Black Gold Exploration Corp. formerly 1280582 BC Ltd. (the "Company") has been prepared by Management in accordance with the requirements of National Instrument 51-102. The information contained in this MD&A is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this MD&A is not intended to be a comprehensive review of all matters and developments concerning the Company.

This MD&A should be read in conjunction with the Company's interim condensed financial statements for the six months ended June 30, 2023 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION

This MD&A contains "forward-looking information" and "forward-looking statements" (together, "forward looking statements") within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company's exploration and development activities; the Company's future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions, and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the supply and demand for gold and other precious and base metals the level and volatility of prices of precious and base metals, the availability of financing to fund the Company's ongoing and planned exploration and possible future mining operation on reasonable terms, changing foreign exchange rates and actions by government authorities, market competition, risks involved in mining, processing, exploration and research and development activities, the political climate in Argentina, the Company's ongoing relations with its employees and with local communities and local governments, and uncertainties associated with legal proceedings and negotiations and misjudgments in the course of preparing forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results to differ from those expressed or implied by the forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described in this MD&A under "Risk Factors". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements.

Forward-looking statements are made based on management's experience, beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Investors are cautioned against attributing undue certainty to forward-looking statements.

OVERVIEW

BGX- Black Gold Exploration Corp. formerly 1280582 BC Ltd. (the "Company") was incorporated by Hou Yin Ho (Jeffrey Ho) director of the Company on December 21, 2020 in the Province of British Columbia. On February 24, 2021, the name of the Company changed from 1280582 BC Ltd. to BGX- Black Gold Exploration Corp. The Company is engaged in oil and gas mining industry. The registered address of the Company is 6th Floor- 905 West Pender Street Vancouver, BC V6C 1L6.

On August 26, 2021, the Company issued a total of 500,000 special warrants (each a "Special Warrant") at $0.05 per Special Warrant for a total consideration of $25,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance. On December 27, 2021, the Special Warrants were exercised into 500,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.05 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

On September 30, 2021, the Company issued a total of 2,050,000 special warrants (each a "Special Warrant") at $0.20 per Special Warrant for total consideration of $410,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) 4 months following the date of issuance. On January 31, 2022, the Special Warrants were exercised into 2,050,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.20 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

During the year ended December 31, 2022, the Company accepted subscription agreements for a total of 88,630 special warrants (each a "Special Warrant") at $1.50 per Special Warrant for a total consideration of $132,945. Upon the closing of the agreement, the Special Warrants will be issued and converted automatically into units of the Company (a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $3.00 for a period of three years from the date on which the Company's shares commence trading on a Canadian Securities Exchange, subject to acceleration. The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the common shares is received by the Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance.

During the year ended December 31, 2022, the Company accepted subscriptions in advance for a total of 457,916 units at $1.50 per unit for a total consideration of $686,874. Upon the closing of the agreement, the units, comprising of one common share (an "Underlying Share") and one share purchase warrant (each a "Warrant"), will be issued. Each Warrant is exercisable into one Underlying Share at an exercise price of $3.00 for a period of three years from the date of issuance.

During the six months ended June 30, 2023, the Company accepted subscriptions in advance for a total of 135 units at $1.50 per unit for a total consideration of $203. Upon the closing of the agreement, the units, comprising of one common share (an "Underlying Share") and one share purchase warrant (each a "Warrant"), will be issued. Each Warrant is exercisable into one Underlying Share at an exercise price of $3.00 for a period of three years from the date of issuance.

On January 30, 2023, the company entered into an agreement to purchase an oil and gas asset, El Carmen ("The Property"), from International Iconic Gold Exploration Corporation ("ICON"), a publicly traded company on the TSX Venture. On April 12, 2023, the agreement was further amended to purchase from ICON its 95% interest in Spinell SA, the owner of the property, in exchange for 100,000 common shares of the Company at a deemed price of $1 per share. An additional 2,000,000 shares of the Company at a deemed price of $1 per share will be issued to ICON in escrow and released as follows: (i) 1,000,000 shares of the Company will be released upon the Property entering production of natural gas; and (ii) 1,000,000 shares of the Company will be released upon the Property entering production of oil. On July 7, 2023, the transaction was closed and the Company issued 100,000 common shares.

SUMMARY OF ANNUAL INFORMATION

The following table sets forth selected financial information of the Company which has been derived from the consolidated financial statements of the Company for the years ended December 31, 2022 and 2021.

	Year ended December 31, 2022 $	**Year ended December 31, 2021 $**
Total Expenses	35,312	6,409
Net Loss – Operations	35,312	6.409
Net Loss Per Share – Operations	0.01	1.17
Total Assets	1,232,233	432,124
Total Financial Liabilities	839,306	3,885

During the year ended December 31, 2022, the net loss from operations was $35,312 (2021 - $6,409). The increase in net loss is mainly attributable to an increase in professional fees, advertising, and general administration expense.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial information as prepared in Canadian dollars under International Financial Reporting Standards derived from the Company's most recently completed fiscal quarters since inception:

	June 30, 2023 $	**March 31, 2023 $**	**December 31, 2022 $**	**September 30, 2022 $**
Total Assets	1,186,209	1,204,096	1,232,233	1,107,851
Working Capital (Deficiency)	326,886	364,449	392,927	415,647
Net Loss – Operations	(37,563)	(28,478)	(3,296)	(10,801
Loss per Share – Operations	(0.01)	(0.01)	(0.00)	(0.00)
	June 30, 2022 $	**March 31, 2022 $**	**December 31, 2021 $**	**September 30, 2021 $**
Total Assets	1,008,239	427,975	431,816	431,831
Working Capital (Deficiency)	407,023	427,812	428,240	431,630
Net Loss – Operations	(20,790)	(428)	(3,390)	(3,019)
Loss per Share – Operations	(0.00)	(0.00)	(0.01)	(0.01)

Factors causing significant variations in quarterly results are as follows:

During the three months ended September 30, 2021, the Company incurred operating expenses of $3,019, comprised of general administration expense.

During the three months ended December 31, 2021, the Company incurred operating expenses of $3,390, comprised mainly of legal fees of $3,375, and bank service charges of $15.

During the three months ended March 31, 2022, the Company incurred operation expenses of $428, comprised of legal fees of $122 and general administration expense of $306.

During the three months ended June 30, 2022, the Company incurred operating expenses of $20,788, comprised of advertisement and promotion expense of $5,000, general administration expense of $1,084, legal fees of 2,704 and professional fees of $12,000.

During the three months ended September 30, 2022, the Company incurred operating expenses of $10,801, comprised mainly of general administration expense of $6,244, professional fees of $4,000, and legal fees of $556.

During the three months ended December 31, 2022, the Company incurred operating expenses of $3,296, comprised of general administration expense.

During the three months ended March 31, 2023, the Company incurred operation expenses of $28,478 comprised mainly of professional fees of $20,000, travel expense of $7,947, general administration expenses of $331 and regularity fees of $200.

During the three months ended June 30, 2023, the Company incurred operating expenses of $37,563 comprised mainly of professional fees of $18,000, audit fees of $7,000, legal fees of $12,506, general administration expenses of $35 and regularity fees of $22.

CASH AND WORKING CAPITAL

As at June 30, 2023, the Company had working capital of $326,886. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company requires to pay $39,301 its liability. During the six months ended June 30, 2023, the Company raised capital and received subscription in advance of $203 (year ended December 31, 2022- $820,022). Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the funding through equity issuances and through short-term borrowing in order to fund ongoing operations and to meet its obligations. The ability of the Company to raise capital in future will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

LIQUIDITY

As at June 30, 2023, the Company held assets totaling $1,186,209 consisting of $36,664 in cash, $1,140,000 short term investment in a guaranteed investment certificate, $5,000 in deposit and prepaid, and $4,545 in accounts receivable.

As at June 30, 2023, the Company had total liabilities of $859,323 comprised of $39,301 of accounts payable and subscription received in advance of $820,022.

As at June 30, 2023, the Company had working capital of $326,886 as compared to a working capital of $392,927 at December 31, 2022. During the six months ended June 30, 2023, the Company was able to raise funds of $203 (2022 - $819,819) from subscription received in advance.

Readers are cautioned that a number of factors beyond the control of the Company could result in the Company not being able to sustain its current position. Such factors could include adverse economic conditions, political and regulatory concerns and key individual staffing problems amongst others.

CAPITAL RESOURCES

Cash used in operating activities during the six months ended June 30, 2023 totaled $53,560 (cash received 2022 – $575,079), which was attributed to the loss during the year of $66,041 (2022 – $21,217) and the changes in the non-cash working capital items is an increase in accounts receivable of $2,536 (2022 - $1,035), a decrease in prepaid and deposit of $5,000 (2022-$nil), an increase in accounts payable of $19,814 (2022 – $15,620), an increase of $203 (2022 - $582,063) and a decrease of $nil in due to related parties (2022-$352).

The Company defines capital as the components of shareholders' equity. The Company's objectives when managing capital are to support further advancement of the Company's business objectives, as well as to ensure that the Company is able to meet its financial obligations as they come due. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended June 30, 2023, the Company is not subject to externally imposed capital requirements.

The Company has not issued dividends to date and has no plans to pay dividends in the foreseeable future.

TRANSACTIONS WITH RELATED PARTIES

As at June 30, 2023, Hou Yin Ho (Jeffrey Ho) is a director of the Company.

During the six months ended June 30, 2023 and year ended December 31, 2022 there was no transaction between company and related parties.

OUTSTANDING SHARE DATA

As of June 30, 2023 the Company has 2,550,000 common shares outstanding. As of July 31, 2023 the Company has 4,740,627 issued and outstanding with 2,000,000 of these held in escrow.

As of June 30, 2023 the Company has 2,550,000 share purchase warrants. As of July 31, 2023 the Company has 2,640,627 share purchase warrants.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would require disclosure.

CRITICAL ACCOUNTING ESTIMATES

The Company's critical accounting estimates include impairment of assets, the useful life and amortization of property and equipment and intangible assets, measurement of share-based payments, and deferred income tax asset valuation allowances. Estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CHANGES IN ACCOUNTING POLICIES

The Company has adopted the IFRS accounting standards and prepared financial statements to comply with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). Significant accounting policies disclosed in note 3 of the attached financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

FINANCIAL AND OTHER INSTRUMENTS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not trade financial instruments for speculative purposes. The Company does not have a risk management committee nor written risk management policies. The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at June 30, 2023, as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, June 30, 2023 $
Cash	36,664	–	–	36,664

The fair values of other financial instruments, which include receivables, short-term investments in guaranteed investment certificates, accounts payable, and subscriptions received in advance, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, accounts receivable and guaranteed investment certificates. The Company limits exposure to credit loss by placing its cash with high credit quality financial institutions. Receivables are government sales tax receivable from the Canada Revenue Agency. The Gauranteed Investment Certificates are secured investments that the Company is able to sell into cash on demand. Management believes that credit risk is minimal. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. The carrying amount of financial assets represents the maximum credit exposure.

(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. These fluctuations may be significant.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest-bearing borrowings.

(ii) Foreign exchange rate risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not currently exposed to foreign exchange risk.

(iii) Price risk
The Company is not exposed to significant price risk.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company maintained cash at June 30, 2023 in the amount of $36,664 and Guaranteed Investment Certificates of $1,140,000 to meet short-term business requirements. At June 30, 2023, the Company had accounts payable of $27,704. All of the Company's current financial liabilities have contractual maturities of less than 90 days. Liquidity risk is assessed as low.

(e) Classification of financial instruments

Financial assets and liabilities included in the consolidated statement of financial position are as follows:

	June 30, 2023 $	December 31, 2022 $
Financial assets classified as fair value through profit or loss:		
Cash	36,664	1,230,224
Loans and receivables:		
Accounts receivable	4,545	2,009
Investment GIC	1,140,000	-
Non-derivative financial liabilities:		
Accounts payables	39,301	19,487
Subscription received in advance	820,022	819,819
	859,323	839,306

SUBSEQUENT EVENTS

On January 30, 2023, the company entered into an agreement to purchase an oil and gas asset, El Carmen ("The Property"), from International Iconic Gold Exploration Corporation ("ICON"), a publicly traded company on the TSX Venture. On April 12, 2023, the agreement was further amended to purchase from ICON its 95% interest in Spinell SA, the owner of the property, in exchange for 100,000 common shares of the Company at a deemed price of $1 per share. An additional 2,000,000 shares of the Company at a deemed price of $1 per share will be issued to ICON in escrow and released as follows: (i) 1,000,000 shares of the Company will be released upon the Property entering production of natural gas; and (ii) 1,000,000 shares of the Company will be released upon the Property entering production of oil. On July 7, 2023, the transaction was closed.

On July 26, 2023, the company completed a non-brokered private placement (the "Offering") of 90,627 special warrants of the Company (each a "Special Warrant"), convertible into units of the Company at $1.50 per Special Warrant for gross proceeds of $135,941 with each unit consisting of one common share of the Company and one transferable common purchase warrant (a "Warrant"), with each Warrant being exercisable into one common share of the Company at an exercise price of $3 per common share for a period of 36 months after the closing of the Offering, subject to acceleration provision and any additional terms contained in the certificates presenting the warrants.

COMMITMENTS

As at June 30, 2023, the Company has no commitments.

CONTINGENCIES

There are no contingencies liabilities.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During six months ended June 30, 2023, the Company generated revenue of $nil from operations.

During the six months ended June 30, 2023, the Company incurred professional fees of $38,000, audit fees of $7,000, legal expense of $12,506, regularity fees of $222, travel expense of $7,947 and office and general expenses of $366.

DISCLOSURE OF INTERNAL CONTROLS

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited consolidated financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

RISK FACTORS

The Company continues to focus on oil and gas mining activities but there is no assurance of success. The Company has incurred a loss of $66,041 for the six months ended June 30, 2023 and has a deficit of $108,114.

Management is continuing efforts to attract additional equity and capital investors and may implement cost control measures to maintain adequate levels of working capital. The Company will try to achieve its operational goals. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to achieve its goals, the Company may be required to amend its business plan to create a successful strategy.

There is no assurance that the Company will be successful in achieving potential revenue from sales of oil and gas products and the likelihood of success must be considered in light of the Company's early stage of exploration operations. There is no assurance that we will be able to be successful in exploration stage of mining activity and large quantities of our products are procured.

The Company may not be able to establish anticipated levels of high-volume production on a timely, cost-effective basis, or at all. It is possible that the Company does not achieve to milestone is set up for exploration stage and not be able to shift to production stage. As a result of the risks discussed within this MD&A, among others, the Company may not be able to generate or fulfill sales orders or deliver them in a timely manner, which could have a material effect on its business and results of operations.

Our ability to generate positive cash flow is uncertain.

Our business will continue to require significant amounts of working capital to support our growth. Therefore, we may not achieve sufficient revenue growth to generate positive future cash flow and may need to raise additional capital from investors or other finance sources to achieve our future growth. An inability to generate positive cash flow for the foreseeable future or raise additional capital on reasonable terms may decrease our viability.

Our failure to raise additional capital necessary to expand our operations and invest on the exploration, mining and manufacturing facilities could reduce our ability to compete successfully.

MANAGEMENT DISCUSSION AND ANALYSIS FOR BGX- BLACK GOLD EXPLORATION CORP.

(FORMERLY 1280582 BC Ltd)

FOR THE YEAR ENDED December 31, 2022

Prepared as of July 31, 2023

Contact Information

BGX- Black Gold Exploration Corp.

Registered office:

6th Floor – 905 West Pender Street Vancouver, BC V6C 1L6

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of BGX- Black Gold Exploration Corp. formerly 1280582 BC Ltd. (the "Company") has been prepared by Management in accordance with the requirements of National Instrument 51-102. The information contained in this MD&A is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this MD&A is not intended to be a comprehensive review of all matters and developments concerning the Company.

This MD&A should be read in conjunction with the Company's condensed financial statements for the year ended December 31, 2022 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION

This MD&A contains "forward-looking information" and "forward-looking statements" (together, "forward looking statements") within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company's exploration and development activities; the Company's future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions, and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the supply and demand for gold and other precious and base metals the level and volatility of prices of precious and base metals, the availability of financing to fund the Company's ongoing and planned exploration and possible future mining operation on reasonable terms, changing foreign exchange rates and actions by government authorities, market competition, risks involved in mining, processing, exploration and research and development activities, the political climate in Argentina, the Company's ongoing relations with its employees and with local communities and local governments, and uncertainties associated with legal proceedings and negotiations and misjudgments in the course of preparing forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results to differ from those expressed or implied by the forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described in this MD&A under "Risk Factors". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements.

Forward-looking statements are made based on management's experience, beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Investors are cautioned against attributing undue certainty to forward-looking statements.

OVERVIEW

BGX- Black Gold Exploration Corp. formerly 1280582 BC Ltd. (the "Company") was incorporated by Hou Yin Ho (Jeffrey Ho) director of the Company on December 21,2020 in the Province of British Columbia. On February 24, 2021, the name of the Company changed from 1280582 BC Ltd. To BGX- Black Gold Exploration Corp. The Company is engaged in gas and oil mining industry. The registered address of the Company is 6th Floor- 905 West Pender Street Vancouver, BC V6C 1L6.

On August 26, 2021, the Company issued a total of 500,000 special warrants (each a "Special Warrant") at $0.05 per Special Warrant for a total consideration of $25,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance. On December 27, 2021, the Special Warrants were exercised into 500,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.05 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

On September 30, 2021, the Company issued a total of 2,050,000 special warrants (each a "Special Warrant") at $0.20 per Special Warrant for total consideration of $410,000. Each Special Warrant is convertible into units of the Company (each a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the Underlying shares is received by the Company from the British Columbia Securities Commission; and (ii) 4 months following the date of issuance. On January 31, 2022, the Special Warrants were exercised into 2,050,000 units (each a "Unit"). Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $0.20 for a period of five years from the date on which the Company's shares commence trading on a Canadian securities exchange. Using the residual method, a $nil value was allocated to the warrants.

During the year ended December 31, 2022, the Company accepted subscription agreements for a total of 88,630 special warrants (each a "Special Warrant") at $1.50 per Special Warrant for a total consideration of $132,945. Upon the closing of the agreement, the Special Warrants will be issued and converted automatically into units of the Company (a "Unit") comprising of one common share and one share purchase warrant (a "Warrant"). Each Warrant is exercisable into one common share at an exercise price of $3.00 for a period of three years from the date on which the Company's shares commence trading on a Canadian Securities Exchange, subject to acceleration. The Special Warrant will be deemed exercised on the date that is the earlier of: (i) the third business date on which the receipt for a final prospectus to qualify for distribution of the common shares is received by the Company from the British Columbia Securities Commission; and (ii) four months following the date of issuance.

During the year ended December 31, 2022, the Company accepted subscriptions in advance for a total of 457,916 units at $1.50 per unit for a total consideration of $686,874. Upon the closing of the agreement, the units, comprising of one common share (an "Underlying Share") and one share purchase warrant (each a "Warrant"), will be issued. Each Warrant is exercisable into one Underlying Share at an exercise price of $3.00 for a period of three years from the date of issuance.

SUMMARY OF ANNUAL INFORMATION

The following table sets forth selected financial information of the Company which has been derived from the consolidated financial statements of the Company for the years ended December 31, 2022 and 2021.

	Year ended December 31, 2022 $	Year ended December 31, 2021 $
Total Expenses	35,312	6,409
Net Loss – Operations	35,312	6.409
Net Loss Per Share – Operations	0.01	1.17
Total Assets	1,232,233	432,124
Total Financial Liabilities	839,306	3,885

During the year ended December 31, 2022, the net loss from operations was $35,312 (2021 - $6,409). The increase in net loss is mainly attributable to an increase in professional fees, advertising, and general administration expense.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial information as prepared in Canadian dollars under International Financial Reporting Standards derived from the Company's most recently completed fiscal quarters since inception:

	December 31, 2022 $	September 30, 2022 $	June 30, 2022 $	March31, 2022 $
Total Assets	1,232,233	1,107,851	1,008,239	427,975
Working Capital (Deficiency)	392,927	415,647	407,023	427,812
Net Loss – Operations	(3,296)	(10,801)	(20,788)	(428)
Loss per Share – Operations	(0.00)	(0.00)	(0.00)	(0.00)
	December 31, 2021 $	**September 30, 2021 $**	**June 30, 2021 $**	**March 31, 2021 $**
Total Assets	431,816	431,831	-	-
Working Capital (Deficiency)	428,240	431,630	(352)	(352)
Net Loss – Operations	(3,390)	(3,019)	-	-
Loss per Share – Operations	(0.01)	(0.00)	-	-

Factors causing significant variations in quarterly results are as follows:

During the three months ended March 31, 2021, the Company incurred operation expenses of $nil.

During the three months ended June 30, 2021, the Company incurred operating expenses of $nil.

During the three months ended September 30, 2021, the Company incurred operating expenses of $3,019, comprised of general administration expense.

During the three months ended December 31, 2021, the Company incurred operating expenses of $3,390, comprised mainly of legal fees of $3,375, and bank service charges of $15.

During the three months ended March 31, 2022, the Company incurred operation expenses of $428, comprised of legal fees of $122 and general administration expense of $306.

During the three months ended June 30, 2022, the Company incurred operating expenses of $20,788, comprised of advertisement and promotion expense of $5,000, general administration expense of $1,084, legal fees of 2,704 and professional fees of $12,000.

During the three months ended September 30, 2022, the Company incurred operating expenses of $10,801, comprised mainly of general administration expense of $6,244, professional fees of $4,000, and legal fees of $556.

During the three months ended December 31, 2022, the Company incurred operating expenses of $3,296, comprised of general administration expense.

CASH AND WORKING CAPITAL

As at December 31, 2022, the Company had working capital of $392,927. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company requires to pay $19,487 its liability. During the year ended December 31, 2022, the Company raised capital and received subscription in advance of $819,819. Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the funding through equity issuances and through short-term borrowing in order to fund ongoing operations and to meet its obligations. The ability of the Company to raise capital in future will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

LIQUIDITY

As at December 31, 2022, the Company held assets totaling $1,232,233 consisting of $1,230,224 in cash and $2,009 in accounts receivable.

As at December 31, 2022, the Company had total liabilities of $839,306 comprised of $19,487 of accounts payable and subscription received in advance of $819,819.

As at December 31, 2022, the Company had working capital of $392,927 as compared to a working capital of $428,239 at December 31, 2021. During the year ended December 31, 2022, the Company was able to raise funds of $819,819 (2021 - $nil) from subscription received in advance.

Readers are cautioned that a number of factors beyond the control of the Company could result in the Company not being able to sustain its current position. Such factors could include adverse economic conditions, political and regulatory concerns and key individual staffing problems amongst others.

CAPITAL RESOURCES

Cash generated in operating activities during the year ended December 31, 2022 totaled $798,408 (cash used 2021 – $6,717), which was attributed to the loss during the year of $35,312 (2021 – $6,409) and the changes in the non-cash working capital items is an increase in accounts receivable of $1,701 (2021-$308), an increase in accounts payable of $15,954 (2021 – $nil), an increase of $819,819 (2021-$nil) and a decrease of $352 in due to related parties (2021-$nil).

Cash generated from financing activities during the year ended December 31, 2022 totaled $nil (2021 – $435,000). Which was attributed to proceeds from issuance of shares to investors.

The Company defines capital as the components of shareholders' equity. The Company's objectives when managing capital are to support further advancement of the Company's business objectives, as well as to ensure that the Company is able to meet its financial obligations as they come due. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2022, the Company is not subject to externally imposed capital requirements.

The Company has not issued dividends to date and has no plans to pay dividends in the foreseeable future.

TRANSACTIONS WITH RELATED PARTIES

a) As at December 31, 2022, Hou Yin Ho (Jeffrey Ho) is director of the Company.

b) On September 17, 2021, a director of the Company purchased 25,000 special warrants in cash at a price of $0.20 per share for a total consideration of $5,000.

OUTSTANDING SHARE DATA

As of December 31, 2022 the Company has 2,550,000 common shares outstanding. As of July 31, 2023 the Company has 4,740,627 issued and outstanding with 2,000,000 of these held in escrow.

As of December 31, 2022 the Company has 2,550,000 share purchase warrants. As of July 31, 2023 the Company has 2,640,627 share purchase warrants.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would require disclosure.

CRITICAL ACCOUNTING ESTIMATES

The Company's critical accounting estimates include impairment of assets, the useful life and amortization of property and equipment and intangible assets, measurement of share-based payments, and deferred income tax asset valuation allowances. Estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CHANGES IN ACCOUNTING POLICIES

The Company has adopted the IFRS accounting standards and prepared financial statements to comply with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). Significant accounting policies disclosed in note 3 of the attached financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

FINANCIAL AND OTHER INSTRUMENTS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not trade financial instruments for speculative purposes. The Company does not have a risk management committee nor written risk management policies. The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at December 31, 2022, as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, December 31, 2022 $
Cash	1,230,224	–	–	1,230,224

The fair values of other financial instruments, which include receivables, accounts payable, subscriptions received in advance and due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and accounts receivable. The Company limits exposure to credit loss by placing its cash with high credit quality financial institutions. Receivables are government sales tax receivable from the Canada Revenue Agency. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. The carrying amount of financial assets represents the maximum credit exposure.

(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. These fluctuations may be significant.

(i) Interest rate risk
Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest-bearing borrowings.

(ii) Foreign exchange rate risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not currently exposed to foreign exchange risk.

(iii) Price risk
The Company is not exposed to significant price risk.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company maintained cash at December 31, 2022 in the amount of $1,230,224 to meet short-term business requirements. At December 31, 2022, the Company had accounts payable of $19,487.

All of the Company's current financial liabilities have contractual maturities of less than 90 days. Liquidity risk is assessed as low.

(e) Classification of financial instruments

Financial assets and liabilities included in the consolidated statement of financial position are as follows:

	December 31, 2022 $	December 31, 2021 $
Financial assets classified as fair value through profit or loss:		
Cash	1,230,224	431,816
Loans and receivables:		
Accounts receivable	2,009	308
Non-derivative financial liabilities:		
Accounts payables	19,487	3,533
Subscription received in advance	819,819	-
Due to related parties	-	352
	839,306	3,885

SUBSEQUENT EVENTS

On January 30, 2023, the company entered into an agreement to purchase an oil and gas asset, El Carmen ("The Property"), from International Iconic Gold Exploration Corporation ("ICON"), a publicly traded company on the TSX Venture. On April 12, 2023, the agreement was further amended to purchase from ICON its 95% interest in Spinell SA, the owner of the property, in exchange for 100,000 common shares of the Company at a deemed price of $1 per share. An additional 2,000,000 shares of the Company at a deemed price of $1 per share will be issued to ICON in escrow and released as follows: (i) 1,000,000 shares of the Company will be released upon the Property entering production of natural gas; and (ii) 1,000,000 shares of the Company will be released upon the Property entering production of oil. On July 7, 2023, the transaction was closed.

On July 26, 2023, the company completed a non-brokered private placement (the "Offering") of 90,627 special warrants of the Company (each a "Special Warrant"), convertible into units of the Company at $1.50 per Special Warrant for gross proceeds of $135,941 with each unit consisting of one common share of the Company and one transferable common purchase warrant (a "Warrant"), with each Warrant being exercisable into one common share of the Company at an exercise price of $3 per common share for a period of 36 months after the closing of the Offering, subject to acceleration provision and any additional terms contained in the certificates presenting the warrants.

COMMITMENTS

As at December 31, 2022, the Company has no commitments.

CONTINGENCIES

There are no contingencies liabilities.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During year ended December 31, 2022, the Company generated revenue of $nil from operations.

During the year ended December 31, 2022, the Company incurred advertising and promotion expense of $5,000, legal fees of $3,382, professional fees of $16,000 and office and general expenses of $10,584.

DISCLOSURE OF INTERNAL CONTROLS

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited consolidated financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

RISK FACTORS

The Company continues to focus on oil and gas mining activities but there is no assurance of success. The Company has incurred a loss of $35,312 for the year ended December 31, 2022 and has a deficit of $42,073.

Management is continuing efforts to attract additional equity and capital investors and may implement cost control measures to maintain adequate levels of working capital. The Company will try to achieve its operational goals. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to achieve its goals, the Company may be required to amend its business plan to create a successful strategy.

There is no assurance that the Company will be successful in achieving potential revenue from sales of products and the likelihood of success must be considered in light of the Company's early stage of operations.

There is no assurance that we will be able to be success in exploration stage of mining activity and large quantities of our products.

The Company may not be able to establish anticipated levels of high-volume production on a timely, cost-effective basis, or at all. It is possible that the Company does not achieve to milestone is set up for exploration stage and not be able to shift to production stage. As a result of the risks discussed within this MD&A, among others, the Company may not be able to generate or fulfill new sales orders or deliver them in a timely manner, which could have a material effect on its business and results of operations.

Our ability to generate positive cash flow is uncertain.

Our business will continue to require significant amounts of working capital to support our growth. Therefore, we may not achieve sufficient revenue growth to generate positive future cash flow and may need to raise additional capital from investors or other finance sources to achieve our future growth. An inability to generate positive cash flow for the foreseeable future or raise additional capital on reasonable terms may decrease our viability.

Our failure to raise additional capital necessary to expand our operations and invest on the exploration, mining and manufacturing facilities could reduce our ability to compete successfully.

Our sales volume is not assured, and we depend on a limited number of customers for a significant portion of our sales.

The Company expects to continue to sell its products directly to corporate customers, but if these parties do not purchase these products or purchase them in lower quantities or over longer time periods than expected, the Company's revenue profile and cash flows may be severely affected. The Company continues to rely upon a limited number of customers for a significant portion of its sales and the loss of any customer could have a material adverse effect on its sales and operating results and make it more difficult to attract and retain other customers.

CERTIFICATE OF THE COMPANY

Date: July 31, 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/ Francisco Gulisano
Francisco Gulisano
Chief Executive Officer, Director

/s/ *Maryam Amin Shanjani*
Maryam Amin Shanjani
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ Roger Lui
Roger Lui
Director

/s/ Michael Sato
Michael Sato
Director

CERTIFICATE OF THE PROMOTER

Date: July 31, 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/ Anish Pabari
Anish Pabari
Promoter