

This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons authorized to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and accordingly, these securities may not be offered, sold, exercised, pledged, or otherwise transferred within the United States or to, or for the account or benefit of, a "U.S. person" (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or pursuant to an exemption from the registration requirements of the 1933 Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution".

PROSPECTUS

INITIAL PUBLIC OFFERING

December 20, 2017

MERIDIUS RESOURCES LIMITED

\$650,000 Offering of Common Shares

(6,500,000 Common Shares at a price of \$0.10 per Common Share)

This Prospectus qualifies the distribution (the "Offering") by Meridius Resources Limited (the "Issuer" or "Meridius") of 6,500,000 common shares (each a "Share") of the Issuer at a price of \$0.10 per Share (the "Offering Price") for aggregate gross proceeds of \$650,000. See "*Description of the Securities Offered*". The Offering Price was determined by negotiation between the Issuer and the Agent (as hereinafter defined).

	<u>Price to the Public</u>	<u>Agent's Commission⁽¹⁾</u>	<u>Net Proceeds to the Issuer⁽²⁾</u>
Per Share	\$0.10	\$0.007	\$0.093
Total Offering	\$650,000	\$45,500	\$604,500 ⁽³⁾

- (1) Pursuant to the terms and conditions of an agency agreement (the "Agency Agreement") dated for reference December 20, 2017 between Haywood Securities Inc. (the "Agent") and the Issuer, the Issuer has agreed to pay to the Agent, upon closing of the Offering (the "Closing"), a cash commission (the "Agent's Commission") equal to (i) 7% of the gross proceeds realized from the sale of Shares to purchasers not on the President's List (as defined below) under the Offering, if any, and (ii) 3% of the gross proceeds realized from the sale of Shares to purchasers on the President's List under the Offering. The Issuer has further agreed to pay to the Agent a cash corporate finance fee (the "Corporate Finance Fee") of \$25,000. See "*Plan of Distribution*".
- (2) Before deducting expenses of the Offering, estimated to be \$105,000.
- (3) Assuming payment to the Agent of the maximum Agent's Commission.

There is no market through which the Shares may be sold and purchasers may not be able to resell the Shares purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See 'Risk Factors'. The Issuer has applied to list the common shares (the "Common Shares") of the Issuer on the TSX Venture Exchange (the "Exchange"). Listing will be subject to the Issuer fulfilling all of the listing requirements of the Exchange, including distribution of the Shares to a minimum number of public shareholders. See "*Plan of Distribution*". This prospectus does not qualify the distribution of the 200,000 Common Shares that are issuable pursuant to the Option Agreement (as defined below). See "*Narrative Description of the Business – Bonnevillie Gold Property*".

As at the date of this Prospectus, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock

Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by the PLUS Markets Group plc.

No person is authorized by the Issuer to provide any information or to make any representation other than those contained in this Prospectus in connection with this issue and the sale of the securities offered by the Issuer.

The Issuer is not considered to be a “connected issuer” or a “related issuer” of the Agent under applicable Canadian securities legislation.

This Offering is not underwritten and is subject to receipt by the Issuer of subscriptions for 6,500,000 Shares. All funds received from subscriptions for the Shares will be held by the Agent pursuant to the terms of the Agency Agreement between the Issuer and the Agent. In the event that subscriptions and subscription funds for 6,500,000 Shares are not raised within 90 days of the issuance of a receipt for the final Prospectus or, if an amendment to the final Prospectus has been filed and a receipt has been issued for such amendment, within 90 days of the issuance of a receipt for an amendment to the final Prospectus and, in any event, not later than 180 days after the issuance of a receipt for the final Prospectus, all subscription monies will be returned to purchasers without interest or deduction unless otherwise agreed to by the Agent and the subscriber(s).

The Agent is conditionally offering the Shares on a “best efforts agency” basis and subject to prior sale, if, as and when issued by the Issuer and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*”.

These securities are considered to be highly speculative due to the nature of the Issuer’s business and its formative stage of development. The Issuer has issued Common Shares during the private stage at prices substantially lower than the issue price of the securities offered hereby. As a result, investors will experience a substantial dilution of their investment. There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. See “*Risk Factors*”. **An investment in the Shares involves a high degree of risk and should only be considered by those investors who can afford to lose their entire investment.**

The Offering will be discontinued in the event that a Closing in respect of the Offering has not occurred on or prior to the date which is 90 days from the issuance of a receipt for the final Prospectus, unless an amendment to the final Prospectus is filed and a receipt has been issued for such amendment, in which case the Offering will be discontinued in the event that a Closing in respect of the Offering has not occurred on or prior to the date which is 90 days from the issuance of a receipt for an amendment to the final Prospectus and, in any event, not more than 180 days after the issuance of a receipt for the final Prospectus. Subscriptions will be received subject to rejection or allotment in whole or in part by the Issuer and the right is reserved to close the subscription books at any time without notice. It is expected that the Shares will be issued as non-certificated book-entry securities through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee. Consequently, purchasers of Shares will receive a customer confirmation from the registered dealer that is a CDS participant from or through which the Shares were purchased and no certificate evidencing the Shares will be issued. Registration will be made through the depository services of CDS.

Certain legal matters in relation to the Offering have been reviewed on the Issuer’s behalf by Axiom Law Corporation, of Vancouver, British Columbia, and on the Agent’s behalf by Miller Thomson LLP, of Vancouver, British Columbia.

Agent

HAYWOOD SECURITIES INC.

Suite 700 – 200 Burrard Street

Vancouver, BC, V6C 3A6

Tel: (604) 697-7100

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains “forward-looking statements” which may include, but are not limited to, statements with respect to the future financial or operating performance of the Issuer and its mineral projects (including its current mineral property, the Bonneville Gold Property (as defined below), located in Québec), the future price of gold, silver, copper or other metal prices, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ materially from those anticipated in such statements. Such factors include, among others: general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities and actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; changes in labour costs and other costs of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and, the factors discussed in the section entitled “Risk Factors” in this Prospectus. Although the Issuer has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this Prospectus and, unless otherwise required by applicable securities laws, the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Metric Equivalents

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

To convert from Imperial	<u>To metric</u>	<u>Multiply by</u>
Acres	Hectares	0.404686
Feet	Metres	0.30480
Miles	Kilometres	1.609344
Tons	Tonnes	0.907185
Ounces (troy)/ton	Grams/Tonne	34.2857

ELIGIBILITY FOR INVESTMENT

In the opinion of Axium Law Corporation based on the current provisions of the *Income Tax Act* (Canada) (the “Tax Act”) and the regulations thereunder, and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided that the Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes the Exchange) at the time of Closing, the Shares will, at such time, be a “qualified investment” under the Tax Act for trusts governed by registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), deferred profit sharing plans, registered education savings plans (“RESPs”), registered disability savings plans (“RDSPs”) and tax-free savings accounts (“TFSAs”) (collectively, the “Plans”).

The Shares are not currently listed on a “designated stock exchange”. Concurrent with the filing of this Prospectus, the Issuer is applying to list the Shares on the Exchange as of the day before Closing, followed by an immediate halt in trading of the Shares in order to allow the Issuer to satisfy the conditions of the Exchange. The Issuer will rely upon the Exchange to list the Shares on the Exchange as of the day before Closing and otherwise proceed in the manner described above to render the Shares issued on the Closing to be listed on a designated stock exchange within the meaning of the Tax Act for the Plans at the time of issuance. If the Exchange does not proceed as anticipated, the Shares will not be a “qualified investment” for the Plans at the time of Closing.

Notwithstanding that the Shares may be a “qualified investment” for a trust governed by a TFSA, RRSP, RRIF, RDSP or RESP (the “Registered Plans”), the holder of a TFSA or an annuitant of a RRSP, RRIF, RDSP or RESP will be subject to a penalty tax with respect to the Shares held in a Registered Plan if such securities are a “prohibited investment” within the meaning of the Tax Act. The Shares will be a “prohibited investment” for a Registered Plan if the holder or annuitant of such Registered Plan (i) does not deal at arm’s length with the Issuer for the purposes of the Tax Act; or (ii) has a “significant interest” (within the meaning of the Tax Act) in the Issuer. **Prospective holders that intend to hold Shares in a Registered Plan are urged to consult their own tax advisors to ensure that the Shares would not constitute a “prohibited investment” in their particular circumstances.**

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Offering and certain information relating to the Issuer, and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Reference is made to the Glossary for certain terms used in this Prospectus and in this summary.

The Issuer: The Issuer is a mineral resource company engaged in the acquisition, exploration and development of mineral resource properties. The sole mineral resource property interest of the Issuer at the present time is the Bonneville Gold Property located in the Province of Québec, on which the Issuer has an option to acquire a 100% interest. See “*Corporate Structure*”, “*General Development of the Business*” and “*Narrative Description of the Business*”.

The Offering: The Offering consists of 6,500,000 Shares of the Issuer.
See “*Description of the Securities Offered*” and “*Plan of Distribution*”.

Issue Price: \$0.10 per Share.

Use of Proceeds: The gross proceeds to the Issuer from the sale of the Shares offered hereby will be \$650,000. The total funds available to the Issuer at the closing of the Offering, after deducting the estimated expenses of the Offering of \$105,000, the Agent’s Commission of up to \$45,500, and including the estimated working capital, as at November 30, 2017, of \$70,088, are estimated to be \$569,588. The Issuer intends to expend its available funds for the following principal purposes:

Use of Proceeds

Stage 1 program on the Bonneville Gold Property ⁽¹⁾	378,465
Estimated administrative costs for the 12 month period subsequent to the completion of the Offering	\$60,000
Unallocated Working Capital	<u>\$131,123</u>
Total	<u>\$569,588</u>

(1) See “*Narrative Description of the Business – Bonneville Gold Property – Technical Summary of the Bonneville Gold Property – Recommendations*”.

Board and Management:

<u>Name</u>	<u>Position Held</u>
Dylan Sidoo	Chief Executive Officer, President and Director
Nick DeMare	Chief Financial Officer and Director
David Sidoo	Corporate Secretary and Director
Jordan Sidoo	Director
Doug Leishman	Director
Peter Espig	Director

See “*Directors, Officers and Promoters*”.

Risk Factors:

These securities are considered to be highly speculative due to the nature of the Issuer's business and its formative stage of development. An investment in the Shares is subject to a number of risks, all of which should be carefully considered by a prospective investor. Such risks include those risks summarized below. The Issuer has limited operating history and no history of earnings. Resource exploration and development is a speculative business, characterized by a number of significant risks. The Issuer may not be able to obtain mining equipment or other resources required for mineral exploration on a timely basis or at a reasonable cost. The Issuer has negative operating cash flow and has incurred losses since its founding. There is no assurance that the Issuer can obtain further financing when it is required. The Issuer does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. The Issuer may not be able to obtain insurance for all risks. The Issuer's operations are subject to extensive environmental regulations. Mineral exploration and mining operations are subject to hazards normally encountered in exploration, development and production. The Issuer may not have good title to its properties. Many lands in Québec (where the Issuer's principal mineral property is located) are or could become subject to aboriginal land claim to title. The Issuer is required to obtain consent of aboriginal title holders in the event that the Property becomes subject to such a claim, which may adversely affect the Issuer's business activities. The mining business is intensely competitive. The success of the Issuer is highly dependent on the performance of its board and management. Metal prices are volatile. There may not be adequate infrastructure to enable the Issuer to conduct operations. Certain directors and officers of the Issuer may have conflicts of interest. The Issuer currently depends on a single property and may not be able to acquire other mineral properties of merit. The Issuer's growth will require new personnel. Investors will experience dilution of the value of their investment due to the issue of lower priced securities at the private stage, and may experience further dilution upon the exercise of other rights to purchase Common Shares of the Issuer. The continued operations of the Issuer are dependent on the Issuer's ability to generate revenues and to procure additional financing. Prices of publicly traded securities are volatile and there may be market liquidity problems. There is no market for the Common Shares and there is no assurance that a market will develop. The Issuer has never paid dividends and does not expect to pay any dividends in the near future. **An investment in the Shares is suitable for only those investors who are willing to risk a loss of their entire investment and who can afford to lose their entire investment. Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of an investment in Shares.** See "*Risk Factors*".

Summary Financial Information

The following tables set forth selected financial information with respect to the financial operations of the Issuer for the most recently completed financial period ended August 31, 2017, which information has been derived from the audited financial statements of the Issuer and should be read in conjunction with such financial statements and related notes and Management's Discussion and Analysis of Financial Condition and the Results of Operations for the financial period ended August 31, 2017 that are included elsewhere in this Prospectus. See "Selected Financial Information and Management's Discussion and Analysis".

	As At August 31, 2017 (audited)
Statement of Financial Position	
Cash	\$119,531
Total Assets	\$137,781
Liabilities	\$12,500
Shareholder Equity	\$125,281
Share Capital	\$130,000
Deficit	\$(4,719)
Working Capital	\$107,281

	Financial period ended August 31, 2017 (audited)
Statement of Comprehensive Loss	
Revenue	Nil
Expenses	\$(4,719)
Net income (loss)	\$(4,719)

GLOSSARY

In this Prospectus, unless the context otherwise requires, the following words and phrases shall have the meanings set forth below:

Ag	means silver;
Agency Agreement	means the agency agreement dated for reference December 20, 2017 between the Issuer and the Agent with respect to the Offering, as more particularly described under the heading “Plan of Distribution”;
Agent	means Haywood Securities Inc.;
Agent’s Commission	means the cash fee payable by the Issuer to the Agent for its services pursuant to the Agency Agreement in the amount of up to (i) 7% of the gross proceeds from the sale of Shares to purchasers not under the President’s List, and (ii) 3% of the gross proceeds from the sale of Shares to purchasers under the President’s List.
Associate	means the following: <ol style="list-style-type: none">(1) any relative, including the spouse of that person or a relative of that person’s spouse, where the relative has the same home as the person;(2) any partner, other than a limited partner, of that person;(3) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and(4) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
Au	means gold;
Author	means Abby Peterson, B.Sc., P. GEO., the author of the Bonneville Gold Technical Report;
Audit Committee	means the audit committee of the Issuer that is comprised of David Sidoo, Peter Espig (Chair) and Doug Leishman;
Board	means the board of directors of the Issuer;
Bonneville Gold Property or Property	means the 36 mineral claims that cover approximately 2,018.29 hectares located 215 km north-east of the city of Val-d’Or and 70km north-east of the town of Lebel-sur-Quévillon in the province of Québec, on which the Issuer has an option to acquire a 100% interest, subject to a 1% net smelter returns royalty;
Bonneville Gold Technical Report	means the independent technical report dated August 10, 2017 on the Bonneville Gold Property entitled “ <i>Technical Report on the Bonneville Gold Project Miquelon, Québec, Canada</i> ”, prepared in accordance with NI 43-101 by Abby Peterson, B.Sc., P. GEO.;
Business Corporations Act	means the <i>Business Corporations Act</i> (British Columbia), S.B.C. 2002, c. 57, as amended, including the regulations promulgated thereunder;
CIM Standards	means the CIM Definition Standards on Mineral Resource and Mineral Reserves adopted by the CIM Council of the Canadian Institute of Mining, Metallurgy and Petroleum on May 10, 2014;
Closing	means the closing of the issue and sale of the Shares pursuant to the Offering;
cm	means centimetre;

Common Share or Common Shares	means, respectively, one or more common shares without par value in the capital of the Issuer;
Computershare	means Computershare Services Inc., registrar and transfer agent of the Issuer;
Cu	means copper;
EFU	means Exploration Facilitation Unlimited Inc.;
Escrow Agreement	means the Form 46-201F1 escrow agreement dated December 20, 2017 among the Issuer, Computershare and certain shareholders of the Issuer;
Escrow Shares	means 4,825,000 Common Shares that are issued to Principals of the Issuer and are subject to the Escrow Agreement;
Exchange	means the TSX Venture Exchange;
Exchange Bulletin	the Exchange bulletin confirming the Exchange's final approval of the Offering;
Final Receipt Date	the date a receipt is issued from the securities commissions of the Selling Jurisdictions for the final Prospectus;
gpt	means grams per tonne;
ha	means hectare;
Hunting Airborne	means Hunting Airborne Geophysics Ltd.;
IP	means induced polarization;
Issuer or Meridius	means Meridius Resources Limited;
km	means kilometre;
Listing Date	means the date that the Shares of the Issuer are listed for trading on the Exchange;
m	means metre;
mineralization	mineral-bearing rock; the minerals may have been either a part of the original rock unit or injected at a later time;
mineral reserve	means the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined and processed; The terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" used in this Prospectus are Canadian mining terms as defined in accordance with NI 43-101 under the guidelines set out in the CIM Standards;

mineral resource	means a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. The term "mineral resource" covers mineralization and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which mineral reserves may subsequently be defined by the consideration and application of technical, economic, legal, environmental, socio-economic and governmental factors. The phrase "reasonable prospects for economic extraction" implies a judgment by the Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction. A mineral resource is an inventory of mineralization that under realistically assumed and justifiable technical and economic conditions might become economically extractable. The term "mineral resource" used in this Prospectus is a Canadian mining term as defined in accordance with NI 43-101 – under the guidelines set out in the CIM Standards;
NI 43-101	means National Instrument 43-101 - <i>Standards of Disclosure for Mineral Projects</i> ;
Offering or IPO	means the initial public offering and sale of 6,500,000 Shares described herein or in any amendment hereto;
Offering Price	means the purchase price of \$0.10 per Share;
Option	means a stock option of the Issuer granted pursuant to the Issuer's stock option plan;
Option Agreement	means the option agreement dated August 10, 2017 between the Issuer and the Vendor, pursuant to which the Issuer was granted an option to acquire a 100% interest in the Bonneville Gold Property;
Pb	means lead;
Person	means a company or an individual;
ppb	means part per billion;
ppm	means part per million;
President's List	means a list the Issuer composed with the Agent consisting of strategic investors, existing shareholders, family members, friends and business associates of the Issuer who will participate in the Offering as protected potential purchasers.

Principal	means the following: (a) a Person who acted as a promoter of the Issuer within two years before the IPO Prospectus or Exchange Bulletin; (b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO Prospectus or Exchange Bulletin; (c) a 20% holder—a Person 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 IPO or immediately after the Exchange Bulletin for non IPO transactions; (d) a 10% holder—a Person 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 IPO or immediately after the Exchange Bulletin for non IPO transactions; 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.
Prospectus	means this prospectus;
QA/QC	means Quality Assurance/Quality Control;
Qualified Person	an individual who, in accordance with NI 43-101: (a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these; (b) has experience relevant to the subject matter of the mineral project and the technical report; and (c) is a member in good standing of a recognized professional association;
Royalty	means the 1% net smelter returns royalty, which is payable to the Vendor, pursuant to the terms of the Option Agreement;
Selling Jurisdictions	means the Provinces of British Columbia and Alberta and being the jurisdictions in which the Shares may be sold pursuant to the Offering;
Shares	means the Common Shares to be issued and sold under the Offering;
TEM	means time domain electromagnetic;
tonne or t	means a metric tonne;
Vendor	Telford Management Ltd., a British Columbia corporation based in Vancouver, British Columbia;
VLF-EM	means very low-frequency electromagnetic survey;
VMS	means volcanogenic massive sulphide; and
Zn	means zinc.

CORPORATE STRUCTURE

Name and Incorporation

Meridius Resources Limited was incorporated by Certificate of Incorporation and Articles pursuant to the provisions of the *Business Corporations Act* (British Columbia) on July 10, 2017.

The head office and registered and records office of the Issuer is located at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7.

The Issuer is not currently a reporting issuer in any jurisdiction and the Common Shares are not listed or posted for trading on any stock exchange.

The Issuer has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

The Issuer was formed in July 10, 2017 to engage in the business of the acquisition, exploration and development of mineral resource properties. Its objective is to locate, define and ultimately develop economic mineral deposits.

History

Subsequent to incorporation, the Issuer has completed private seed capital equity financings, raising aggregate gross proceeds of \$130,000 to the Issuer. These funds have been and are being used for the acquisition, exploration and maintenance of the Bonneville Gold Property and for general working capital purposes.

Acquisitions

The Issuer entered into the Option Agreement dated August 10, 2017 with the Vendor, pursuant to which the Issuer was granted an option to earn and acquire a 100% interest in the 36 mineral claims comprising the Bonneville Gold Property, subject to a 1% net smelter returns royalty. See "*Narrative Description of the Business – Bonneville Gold Property*" for further details. The Vendor previously conducted a program of geological mapping and prospecting, soil and silt geochemical sampling and a ground magnetometer survey targeting base and precious metal bearing sulphide mineralization. See the "*Narrative Description of the Business - Exploration*" below for further details.

Trends

As a junior mining issuer, the Issuer is highly subject to the cycles of the mineral resource sector and the financial markets as they relate to junior companies.

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

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Issuer is engaged in the business of the acquisition, exploration and development of mineral resource properties. The Issuer's sole property is the Bonneville Gold Property, located in the province of Québec.

Bonneville Gold Property

The Bonneville Gold Property consists of 36 mineral claims that cover approximately 2,018.29 hectares located 215 km north-east of the city of Val-d'Or and 70 km north-east of the town of Lebel-sur-Quévillon in the province of Québec. The Issuer is the operator of the Bonneville Gold Property.

On August 10, 2017, the Issuer entered into the Option Agreement, with the Vendor, pursuant to which the Issuer may earn and acquire a 100% interest in the Bonneville Gold Property by:

- (a) making cash payments to the Vendor in the following amounts:
 - (i) \$5,000 within five (5) business days following the date of execution of the Option Agreement (paid);
 - (ii) \$15,000 within 21 business days following the date of execution of the Option Agreement (paid);
 - (iii) \$50,000 on or before the date that is 14 months after the date of the Exchange Bulletin; and
 - (iv) \$150,000 on or before the date that is 24 months after the date of the Exchange Bulletin; and
- (b) issuing and delivering to the Vendor 200,000 Common Shares within five (5) business days of the date of the Exchange Bulletin; and
- (c) incurring expenditures on the Bonneville Gold Property in the amount of \$750,000 on or before the date that is 24 months after the date of the Exchange Bulletin.

Pursuant to the terms of the Option Agreement, the Issuer has the right to examine, map, survey, mine, extract, remove and treat rock, earth and, ore and minerals, and to develop and carry out commercial production on the Bonneville Gold Property.

Once the Issuer acquires a 100% right, title and interest in and to the Bonneville Gold Property and upon commencement of commercial production, a 1% net smelter returns royalty (the "Royalty") will be payable to the Vendor on all minerals produced from the Bonneville Gold Property in accordance with the provisions of the Option Agreement. The Issuer has the right to purchase the Royalty from the Vendor for \$1,000,000 at any time. Moreover, in the event that the date of the Exchange Bulletin is later than March 1, 2018, the Issuer must pay the Vendor an additional \$25,000 on or before March 3, 2018.

Technical Summary of the Bonneville Gold Property

The following information regarding the Bonneville Gold Property is summarized or extracted from an independent technical report dated August 10, 2017 (the "Bonneville Gold Technical Report") prepared for the Issuer by Abby Peterson, B.Sc., P. GEO. (the "Author"), pursuant to the requirements of NI 43-101 and entitled "Technical Report on the Bonneville Gold Project Miquelon, Québec, Canada". A copy of the Bonneville Technical Report's is available on the Issuer's profile on SEDAR at www.sedar.com. Readers are encouraged to review the Bonneville Technical Report in its entirety.

Property Description and Location

The Bonneville Gold Property is located within the Duplessis Township mid-way between the Val-d'Or and Chibougamau mining districts, 215km north-east of the city of Val d'Or and 70km north-east of the town of Lebel-sur-Quévillon. The Bonneville Gold Property is bisected by provincial highway #113 that runs from Transcanadian

highway #117 to the town of Chibougamau, providing year-round access to the claims. Val-d'Or is a major full-service center for exploration in the region and offers daily flights to and from Montreal. (Figure 1).

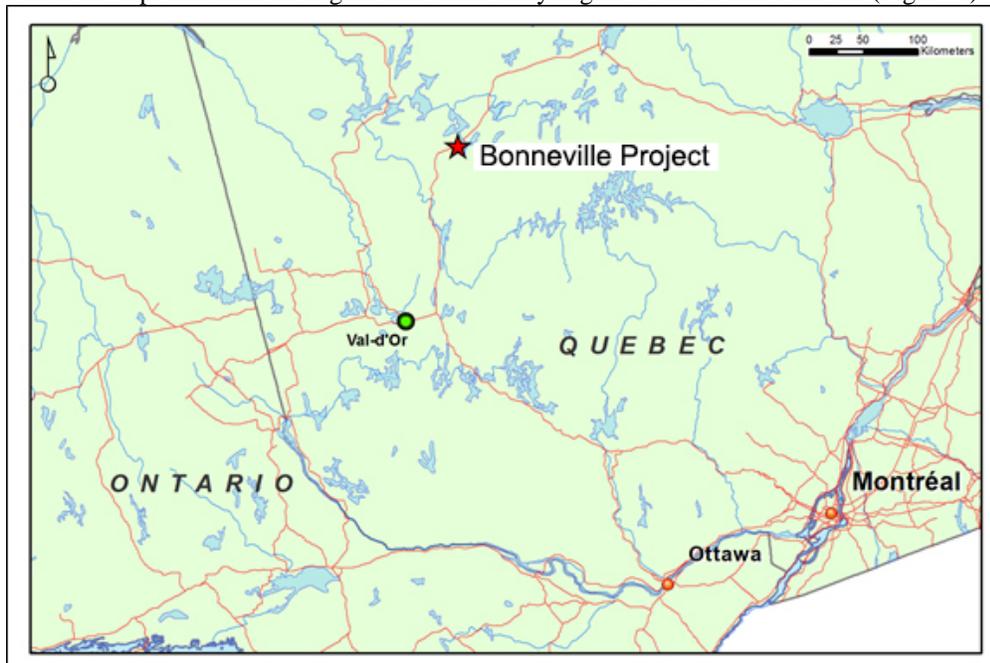


Figure 1. Bonneville Gold Property Location.

Mineral Tenures and Claim Ownership

The Bonneville Gold Property is comprised of 36 claims, acquired through map designation in September of 2016, and covers a total of 2,018.29 hectares. The dispositions are registered to the Vendor. The identification numbers and areas of the claims can be found in Table 1 below.

Table 1. Mineral Claims of the Bonneville Gold Property

Claim Number	Ownership	Size (ha.)	Acquired	Expires
CDC2462624	Tellford Management Ltd.	56.08	09/19/2016	09/18/2018
CDC2462629	Tellford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462630	Tellford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462631	Tellford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462632	Tellford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462633	Tellford Management Ltd.	56.04	09/19/2016	09/18/2018
CDC2462634	Tellford Management Ltd.	56.04	09/19/2016	09/18/2018
CDC2462635	Tellford Management Ltd.	56.04	09/19/2016	09/18/2018

CDC2462636	Telford Management Ltd.	56.04	09/19/2016	09/18/2018
CDC2462639	Telford Management Ltd.	56.10	09/19/2016	09/18/2018
CDC2462644	Telford Management Ltd.	56.10	09/19/2016	09/18/2018
CDC2462645	Telford Management Ltd.	56.10	09/19/2016	09/18/2018
CDC2462651	Telford Management Ltd.	56.09	09/19/2016	09/18/2018
CDC2462654	Telford Management Ltd.	56.08	09/19/2016	09/18/2018
CDC2462655	Telford Management Ltd.	56.08	09/19/2016	09/18/2018
CDC2462656	Telford Management Ltd.	56.07	09/19/2016	09/18/2018
CDC2462657	Telford Management Ltd.	56.07	09/19/2016	09/18/2018
CDC2462658	Telford Management Ltd.	56.07	09/19/2016	09/18/2018
CDC2462659	Telford Management Ltd.	56.07	09/19/2016	09/18/2018
CDC2462660	Telford Management Ltd.	56.07	09/19/2016	09/18/2018
CDC2462662	Telford Management Ltd.	56.07	09/19/2016	09/18/2018
CDC2462663	Telford Management Ltd.	56.07	09/19/2016	09/18/2018
CDC2462664	Telford Management Ltd.	56.06	09/19/2016	09/18/2018
CDC2462665	Telford Management Ltd.	56.06	09/19/2016	09/18/2018
CDC2462666	Telford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462667	Telford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462670	Telford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462671	Telford Management Ltd.	56.04	09/19/2016	09/18/2018
CDC2462672	Telford Management Ltd.	56.04	09/19/2016	09/18/2018
CDC2462675	Telford Management Ltd.	56.04	09/19/2016	09/18/2018

CDC2462676	Telford Management Ltd.	56.09	09/19/2016	09/18/2018
CDC2462677	Telford Management Ltd.	56.09	09/19/2016	09/18/2018
CDC2462678	Telford Management Ltd.	56.09	09/19/2016	09/18/2018
CDC2462681	Telford Management Ltd.	56.06	09/19/2016	09/18/2018
CDC2462682	Telford Management Ltd.	56.05	09/19/2016	09/18/2018
CDC2462683	Telford Management Ltd.	56.04	09/19/2016	09/18/2018
	Total:	2,018.29		

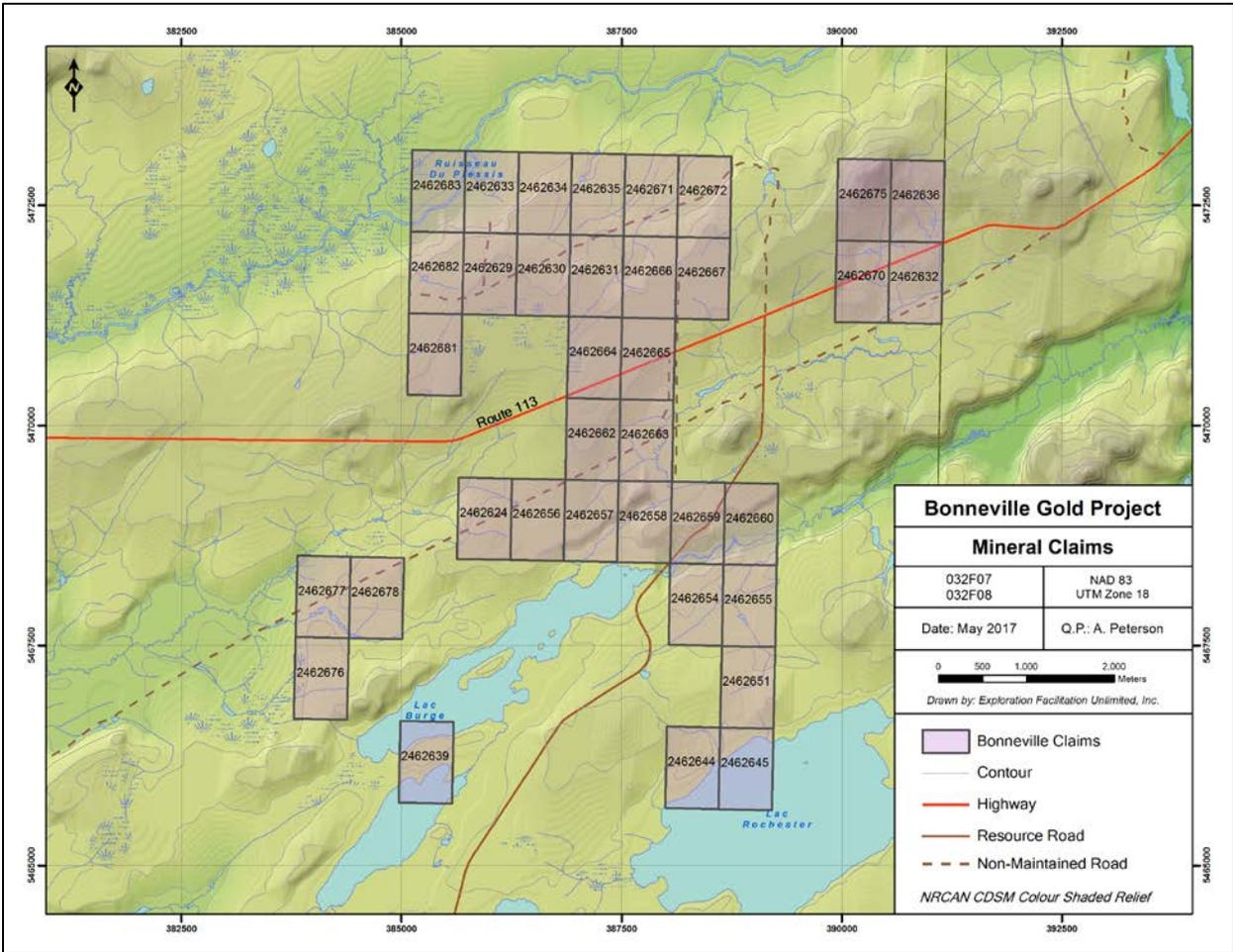


Figure 2. Bonneville Gold Property, Location of Mineral Claims

There are no land claim issues, ownership disputes pending on the Property or environmental concerns/liabilities. The claims have not been surveyed by the Vendor while in their possession. The claims give the Issuer the rights to explore and identify resources below the bedrock, but do not include surface rights.

Required Permits and Reporting of Work

The claims must be renewed every two years on their expiration date, at which time renewal fees must be paid to maintain ownership. Each claim also requires a minimum number of dollars spent on exploration work over the two-year period, with a report describing the works performed due 60 days before the renewal date of said claims. If works are not performed, the owner may pay an amount varying between 100-200% of the amount required to be spent on the claims to be able to renew the claims. If an excess of money has been spent on claims, the amount can be credited forward (over a maximum of six (6) renewal cycles) and/or can be applied to any other claims still requiring expenditures, as long as those claims are within a 4.5km radius of the claim posting an excess in spending.

For the Bonneville Gold Property, the total renewal fees for the 36 claims amount to \$2,148.12 and the work expenditures required a total of \$28,080. The total excess of work credits for the Property equal \$83,037.

The Québec Government requires that the owner of the claims consult the Ministère des Forêts, de la Faune et des Parcs (MFFP) as soon as exploration work requires cutting down any size or type of tree or the construction of permanent structures on the claims. For example, line-cutting and diamond drilling would require the acquisition of a permit (Permis d'intervention) as well as First Nations consultations before any work can begin. It also requires hiring a forestry technician to estimate the volume of merchantable timber that will be cut during the work in order to assess the proper stumpage fees to be paid.

There are no formally registered land owners on the claims and no current commercial logging in the area, therefore there are no known restrictions to land-use on the claims. However, as per Québec law, notice must be provided to the local community 30 days prior to performing any exploration work.

Due to the fact that First Nations must be consulted before any type of major work is performed on the claims (construction, diamond drilling, line cutting, stripping or trenching), breaks in communications between the government and First Nations could result in delays in issuing the permits required to begin work on the Property. There are no other known risks or factors that could affect the ability to perform work on the Property.

Underlying Option Agreement

The mineral titles listed in Table 1 are under option to the Issuer, pursuant to the Option Agreement. A copy of the Option Agreement was provided to the Author. Pursuant to the terms of the Option Agreement, the Issuer may earn and acquire a 100% interest in the Bonneville Gold Property by:

- (a) making cash payments to the Vendor in the following amounts:
 - (i) \$5,000 within five (5) business days following the date of execution of the Option Agreement;
 - (ii) \$15,000 within 21 business days following the date of execution of the Option Agreement;
 - (iii) \$50,000 on or before the date that is 14 months after the date of the Exchange Bulletin; and
 - (iv) \$150,000 on or before the date that is 24 months after the date of the Exchange Bulletin; and
- (b) issuing and delivering to the Vendor 200,000 Common Shares within five (5) business days of the date of the Exchange Bulletin; and
- (c) incurring expenditures on the Bonneville Gold Property in the amount of \$750,000 on or before the date that is 24 months after the date of the Exchange Bulletin.

Pursuant to the terms of the Option Agreement, the Issuer has the right to examine, map, survey, mine, extract, remove and treat rock, earth and, ore and minerals, and to develop and carry out commercial production on the Bonneville Gold Property.

The Royalty will be payable to the Vendor on all minerals produced from the Bonneville Gold Property in accordance with the provisions of the Option Agreement. The Issuer has the right to purchase the Royalty from the Vendor for

\$1,000,000 at any time. Moreover, in the event that the date of the Exchange Bulletin is later than March 1, 2018, the Issuer must pay the Vendor an additional \$25,000 on or before March 3, 2018.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access

Access to the Property is via provincial highway #113, which connects the Transcanadian highway (#117 from Val-d'Or) to Chibougamau, Québec. The highway bisects parts of the Property in an east-west direction, allowing easy year-round access by car or truck. Val-d'Or is an important economic center for the region, with a population of 32,000 with daily flights and bus service from Montreal. Further, numerous former logging roads, both maintained and unmaintained, criss-cross the Property, allowing easy access to the claims from the highway by truck, foot, ATV or snowmobile depending on the season. A rail bed cuts through the Property from the south of Lac Burge to Miquelon 5km to the east, providing excellent access to a number of the southern-most claims.

Climate and Vegetation

The Bonneville Gold Property experiences moderate relief occasionally broken up by cliffs and steep hills. The Property is at an elevation of approximately 315m above sea level with the highest point on the claims at approximately 380m above sea level. Rock exposure on the claims is limited, with less than 5% outcrop and large wetlands covering the southern portion of the Property between Lac Burge and Lac Rochester. Vegetation consists predominantly of Boreal forests and swamps. Several of the most southerly claims partially overlie Lakes Burge and Rochester.

Climate data is from Environment Canada's Climate Normals metadata, collected at the Lebel-sur-Quévillon meteorological station between 1981 and 2010 (http://climate.weather.gc.ca/climate_normals/ accessed January 28th 2017).

The region experiences a subarctic climate with average daily temperatures of -18°C in January, 17.2°C in July and an annual average of 1°C. The daily minimum was -23.6°C in January and the daily maximum was 23.1°C in July. Peak rainfall occurs in July with an average of 120.6mm and a total of 702.3mm for the year. Snowfall peaks in December with an average of 52.3cm and a total annual snowfall of 226.2cm. Annual precipitation is 927.8mm. Work at Bonneville can be performed year-round, however areas of the Property covered in wetlands and swamps would be best explored in the fall when ground water levels are at their lowest, or in the winter months when the ground is frozen and access is easier.

History

1932 – 1934, A.H. Lang and G.S. Mackenzie

A.H. Lang and G.S. Mackenzie completed the earliest exploration work on the claims comprising the Bonneville Gold Property by utilizing the regional scale mapping (1:63,360) of the Lake Pusticamica region, an area of approximately 450 square miles that covered the eastern claim block as well as some of the claims between Lac Burge and Lac Rochester.

1935- 1939, Lake Rose Mines Ltd.

Interest in the region began in 1935 with the discovery of a small gold deposit south of Lac Madeleine (Rose Lake) in the fall of 1934. The deposit consisted of gold in quartz veins and was mined by Lake Rose Mines Ltd. between 1938 and 1939 for a total of 5,374 tonnes at 18 grams per tonne ("gpt").

1947 – 1948, Bourcier-Kuntz

Bourcier-Kuntz syndicate staked a large number of claims in the area, including the bulk of the Bonneville Gold Property. That summer, prospecting and trenching programs uncovered gold on a set of four claims which were later sold to O'Leary Malarctic Mines.

In 1948, the claims were owned or optioned by several different companies, including: the Bourcier-Kuntz Syndicate, Roybar Chibougamau Mines Ltd., O'Leary Malarctic and Continental Copper, and O'Leary Malarctic Mines, which

conducted geological mapping and sampling of outcrops in the vicinity of the 1947 gold discoveries. This work was conducted on what is today the northern-most claims of the Property and were part of O’Leary’s B-K Option (Bourcier-Kuntz). At the same time, Roybar Chibougamau Mines Ltd. was busy mapping, trenching and stripping land that today falls on the two southwestern-most claims adjacent to Lac Burge. In between O’Leary and Roybar, Continental Copper Mines Ltd. spent the year cutting and chaining lines in order to complete geological and topographical surveys. A considerable amount of trenching and stripping followed the geological survey, however results were not encouraging.

1952 – 1953, Dominion Gulf Company

Dominion Gulf Company took over the exploration of the Roybar Chibougamau property and in 1952 completed prospecting, trenching, stripping, sampling and mapping along the northwest shore of Lac Burge. In 1953, they completed an 18.7-mile ground magnetometer survey with 400’ line-spacing. The survey identified several volcanic flows of varying compositions and three dykes that cross-cut the main lithologies.

1959, Queensland Explorations Ltd.

Hunting Airborne Geophysics Ltd. (“Hunting Airborne”), on behalf of Queensland Explorations Ltd., conducted an airborne survey that covers the four claims of the north block. They flew 75-line miles using an amphibious PBY Canso flying boat that was equipped with an electro-magnetometer, magnetometer, scintillation counter, radio altimeter and 35mm positioning camera. Survey lines were spaced at 1/8 of a mile with a mean terrain clearance height of 500 feet above ground level. Hunting Airborne’s geophysicist identified a dozen magnetometer and electromagnetic anomalies. From these anomalies, geophysicists chose ten anomalies for follow-up work to investigate their potential for base metals. The follow-up program executed by Queensland Exploration Ltd. involved two ground surveys completed in March and April of 1960. The magnetometer surveys were executed at 200’ line spacing and 100’ stations while the induced polarization (“IP”) survey was done at 50’ intervals. The magnetic survey confirmed anomalies identified from the airborne data while the IP survey identified two small zones of potential sulfide mineralization. The geophysicist’s conclusions stated that the results were less than encouraging and that follow-up was not likely.

1968 – 1969, Mattagami Lake Mines Ltd.

In the late 1960’s, the southern and central claims of the Bonneville Gold Property belonged to Mattagami Lake Mines Ltd. as part of their Miquelon Property. In 1968 and 1969, a series of diamond drill holes were completed on the Miquelon property. One of these, 35-MB-MQ-68-1, drilled in October 1968, falls on the Bonneville Gold Property. The hole intersected a series of interbedded rhyolites, andesites and graphitic to carbonaceous tuffs. Logs show only two samples were taken, and assays returned trace to nil values for Au, Ag, Zn and Cu (GM24455). In 1969, Questor flew a magnetic and electromagnetic survey over the Miquelon Property. As follow-up, a ground electro-magnetic and magnetic survey was also conducted in the summer of 1969, with lines 400’ apart and stations 200’ apart. A total of 16.8-miles of lines were cut for the survey. The surveys identified two diabase dykes showing vertical fault displacement, as well as a strong conductor located at the southwest tip of Burge Lake. Follow-up drilling was completed in 1970, however these holes do not fall on the Bonneville Gold Property.

1979 – 1992, SEREM Ltée,

By 1979, the bulk of the claims comprising the Property belonged to SEREM Ltée., and were part of the Duplessis C, D, H, N and P properties. Between 1979 and 1992 SEREM Ltée., through various agreements, completed a multitude of surveys, including helicopter electro-magnetic (“HEM”) and magnetometer surveys, diamond drilling, mapping and prospecting. The results of these works can be found in several individual or compilation reports (GM36405, GM36503, GM37677, GM37678, GM37681, GM39532, GM3743445, GM43962, GM45692, GM45693, GM47179, GM48911, GM48936, GM48946, GM49021, GM49108, GM49472, GM49725, GM51601, GM51602, GM57666 and GM57670). Disappointing results from these surveys caused SEREM to abandon the Duplessis C property in 1982 and the Duplessis D property in 1984. The highlights of the SEREM exploration plan are as follows;

- 1979 – HEM survey at Duplessis D identifies three weak conductors located on the flanks of an isolated magnetic anomaly;
- 1980 – HEM and magnetometer surveys on the Duplessis A to L properties identify multiple conductors on

each property;

- 1981 – HEM and magnetometer surveys on the Duplessis N and P properties identify 2 and 4 EM conductors respectively. Geological surveys are completed on the Duplessis A to I properties finding multiple favourable geological environments for the formation of massive sulfide deposits. Diamond drilling at Duplessis C and D to test conductors (see below for results);
- 1982 – HEM and magnetometer surveys at Duplessis NPQ, diamond drilling at Duplessis C, D, H, N and P with holes that fall on Bonneville. Results discussed below;
- 1986 – Geological mapping, very low frequency (“VLF”), EM, magnetic at Duplessis NPQ identifies numerous conductors in a high magnetic area;
- 1987 – 4.4km of IP completed on the NP grid of the Duplessis NPQ property identified a conductive zone that cut the IP lines in an east-west direction in the southwest corner of Burge Lake. Mapping, sampling and trenching of EM conductors and HEM/VLF anomalies at Duplessis NPQ. The best channel returned 1066 parts per million (“ppm”) Zn/11.30m while the best sample returned 6400ppm Cu, 76ppm Au and 5140ppm Zn (GM47179);
- 1989 – 21.5km VLF-EM/Mag at Duplessis NPQ identified numerous EM-Input conductors related to geology that required further investigation. Geological mapping and diamond drilling also completed at NPQ; and
- 1992 – VLF-EM/Mag survey at Duplessis H with follow-up geological mapping and sampling.

In total, nine (9) drill holes completed by SEREM between 1979 and 1992 fall on claims that make up the Bonneville Gold Property. Three holes drilled at Duplessis C fall on the Property. 81-DUP-C-1 was drilled to test a HEM conductor and intercepted two dm-sized graphitic layers in felsic tuff. The assays returned anomalous Cu, Zn and Ag values throughout the hole. Best assays include 0.13% Cu/0.72m from 64.21m to 64.93m in fractured granite and 5.6ppm Ag/1.37m from 34.80m to 36.17m (see descriptions of showings below) followed by 426ppm Zn/4.21m from 36.17m to 42.92m (GM48936). 81-DUP-C-2 was abandoned at 34.45m when the rod string broke, and was completed in hole 81-DUP-C-3. The holes were planned to test a conductor, which was subsequently explained by a zone containing 5-25% Pyrite and Pyrrhotite with trace Graphite, Chalcopyrite, Galena and Sphalerite. The best interval returned assays of 475ppm Cu, 0.23% Zn, 0.20% Pb and 2.2ppm Ag over 3.38m from 34.75-38.23m in C-3 (GM37681). Despite these anomalous assay values, it was determined that the values did not warrant further investigation and SEREM subsequently abandoned the Duplessis C claims. Three drill holes from the Duplessis D property also fall on the Bonneville Gold Property: 81-DUP-D1, 82-DUP-D2 and D3. Hole D1 was drilled to investigate an HEM conductor and intersected two meter-sized intervals of up to 15% sulfides (Pyrite and Pyrrhotite) between 85 and 98m depth. Assays of note include 0.21% Cu/2.14m from 88.94m to 91.08m and 0.23% Cu/0.96m from 96.48m to 97.44m. The low-grade copper anomalies throughout the hole were associated with quartz-calcite stringers in the basalts and dacites which was interpreted to indicate a nearby source for the sulfides (GM37681). 82-DUP-D2 and D3 were drilled to investigate a number of HEM anomalies confirmed by a 1982 Pulse-EM DEEPEM survey. Both drill holes intersected meter-sized intervals of 2-10% Pyrrhotite and up to 1% Chalcopyrite as stringers within basaltic flows. The best assay results included 0.12% Cu/1.02m in D2 and 0.21% Cu/1.03m in D3 (GM49021). The Duplessis D property was subsequently abandoned in 1984. 82-DUP-H-3 was drilled to investigate an HEM conductor, later explained by two dm- to m-sized intersections of semi-massive sulfides (Py and Po) in mafic tuff. The best assay value was 206ppm Cu/0.7m (GM57666). 82-DUP-N-1 investigated yet another HEM conductor and intersected two dm-sized graphitic zones with up to 10-15% Po and Py. The best assay results included: 367ppb Au/0.60m, 276ppb Au/1.5m, 0.13% Zn/0.90m and 268ppm Cu + 833ppm Zn + 1046ppb Au/1.5m. 82-DUP-P-1 investigated two HEM conductors, “C” and “D”. “C” was explained by three cm-sized graphitic intercepts with up to 10% Po and Py while “D” was a 10cm interval of basalt with 5% Po and Py. Best assays included 0.13% Zn/1.10m and 0.52% Zn/1.70m (GM57666).

Two showings are located within the limits of the Bonneville Gold Property: The Duplessis H and Ruisseau Duplessis-Sud showings. The Duplessis H showing is represented by a single grab sample that graded 6gpt Ag in outcropping (GM51602). It was discovered during geological mapping and sampling work completed by SEREM in 1992 on the Duplessis H property. The sample was collected from a chloritic shear zone hosted in basalt at its contact with a felsic dyke. Mineralization consisted of 5-7% Pyrite within quartz stringers hosted in the shear zone. The Ruisseau Duplessis-Sud showing is characterized by the Ag intercept in drill hole 81-DUP-C-1 that graded 5.6 gpt Ag over 1.37m. This represents a single sample collected from 34.80m to 36.17m in a pink hornblende-rich granite with finely

disseminated Pyrite. The drill log does not describe any distinguishing features of this sample interval so there is no clear explanation for the silver grade.

While SEREM owned the bulk of the claims comprising the Property in the 1980's, several companies picked up claims abandoned by SEREM and continued exploration works. In 1986, Golden Rule Resources Ltd. completed 1800km of a heliborne DIGHEM survey which covered the two deformation zones (Lac Burge and Duplessis) from Lac Burge all the way to Miquelon. The survey identified several magnetic and electromagnetic anomalies. Aur Resources' O'Sullivan property included the claims that span highway 113. In 1986, a geological mapping project identified an auriferous Pyritic shear zone with 0.05oz. Au/ton in channel samples (GM43906). A second geological survey in 1987 identified a major dextral ENE shear zone with carbonate and silica alteration, quartz veining and Au+As enrichment. Assay returned up to 800ppb Au and 560ppm As. A VLF-EM/Mag survey the same year identified several EM anomalies (GM45856).

In 1988, Minefinders Corp Ltd. completed a 58km magnetic survey as well as geological mapping on their Opawica property which extended from Lac Burge to Lac Rochester and northwest to Miquelon, covering much the same ground as the DIGHEM survey flown by Golden Rule Resources Ltd. in 1986 on their Miquelon property.

In 1989, Noranda completed geological mapping and prospecting on their property, which wrapped around the former Duplessis D property. Their sampling program returned several anomalous assays, with the best sample grading 2720ppm Pb and 1480ppm Cu (GM48863).

Following the exploration work completed in the 1980's, the claims do not appear in assessment works or reports. Instead, they are included as part of various government and broad-scale projects including airborne geophysics and geological compilations such as the 2008 Megatam II airborne EM survey flown for CGS, Virginia Gold Mines and Noranda (DP2008-41) and the geological mapping and sampling survey completed on a large area covering Lac Burge and Lac Rochester.

Geological Setting and Mineralization

Regional Geology

The Bonneville Gold Property is located within the internal zone of the Abitibi sub-province of the Superior Province of the Canadian Shield. The internal zone is also referred to as the monocyclic volcanic segment of the Northern Volcanic Zone. The monocyclic volcanic segment is predominantly composed of massive, pillowed and brecciated tholeiitic basalts with small to large felsic layers throughout. Iron formations can be found as local intercalations in some places. All but a few of the volcanic rocks were erupted as subaqueous flows, with smaller felsic edifices being covered by pillowed basalts. Sedimentary rocks are inter-fingered with and overly the volcanic rocks and are predominantly Bouma-cycle turbidites inter-mixed with conglomerates, shale, banded iron-formation and chert. Large layered mafic intrusives are a distinguishing feature of the Northern Volcanic Zone and are the magmatic equivalents of MORB-type basalts. The rocks of the Northern Volcanic Zone were intruded by felsic batholiths and plutons that were syn-volcanic (diorite, tonalite and leucotonalite), syn-tectonic (monzodiorite, tonalite and granodiorite) and post-tectonic (granodiorite suite and Syenite-carbonatite suite). All the rocks in the Lac Burge region are of Archean age, except for the Diabase dykes, which are of Proterozoic age. Deformation of the Abitibi Belt was rather heterogeneous, resulting in alternating zones of high and low strain. Areas of low strain show distinct fold patterns while areas of high strain are associated with regional faults and contact-strain aureoles. The deformation events in the Northern Volcanic Zone have been interpreted as pulses related to a single deformation event rather than representing different orogenic phases. Metamorphism in the region is mainly at greenschist facies, however, on a more local scale, metamorphism can attain amphibolite facies along contact aureoles with intrusions.

Local Geology

The Property is located within the Abitibi Greenstone Belt, within a band of volcano-sedimentary rocks bounded by two large felsic intrusives: The Waswanipi pluton to the north and the Mountain pluton to the south. While the Abitibi greenstone belt usually displays an east-west trend, the rocks here have been affected by the numerous regional-scale felsic intrusives in addition to the numerous structural corridors, giving the rocks here a north-east orientation. The bulk of the claims overly rocks of the Obatogamau Formation which is composed of mafic to intermediate volcanic and volcanoclastic rocks. Several of the claims from the west and south claim blocks overly the volcanic rocks of the Vanier-Dalet-Poirier Group while parts of the east claim block overly the O'Sullivan Pluton. The O'Sullivan pluton is a polyphasic mafic intrusion elongated in a north-north-east direction that extends for some 20km. Diorite is the

main phase of the intrusive, with compositional extremes ranging from magnetite hornblendite to quartz diorite. The pluton has a post-tectonic age since the regional schistosity has not affected it. The volcanic rocks on the Property consist of basalts, mafic to intermediate lavas, quartz-feldspar porphyries, rhyolites and pyroclastic rocks such as intermediate lapilli tuffs, finely bedded mafic tuffs and intermediate to felsic lapilli tuffs and tuff breccias. Sedimentary rocks can be found in the southern portion of the Property, north and north-west of Lac Rochester and Lac Burge. North of Lac Burge, the sedimentary unit is less than 200m thick but extends for quite a distance and shows up prominently on input surveys. It consists of arkosic wackes interbedded with laminated argillites, graphitic and pyritic argillites, cherts, lenses of massive sulfides and several tuffaceous cherts. North of Lac Rochester, the sediments are composed of polymictic conglomerates and conglomeratic sandstones with volcanic fragments. Several gabbroic sills cut through the Property with compositions that grade from pyroxenite to melanogabbro and leucogabbro. Finally, diabase dykes of Proterozoic age, generally composed of mesocratic gabbro, cut across the eastern claim block. A band of sedimentary rocks, including iron formations, terminate on the Property. These rocks have previously been interpreted to be the western extension of the Taibi Group which extends all the way to the Ontario border in the Casa-Berardi area.

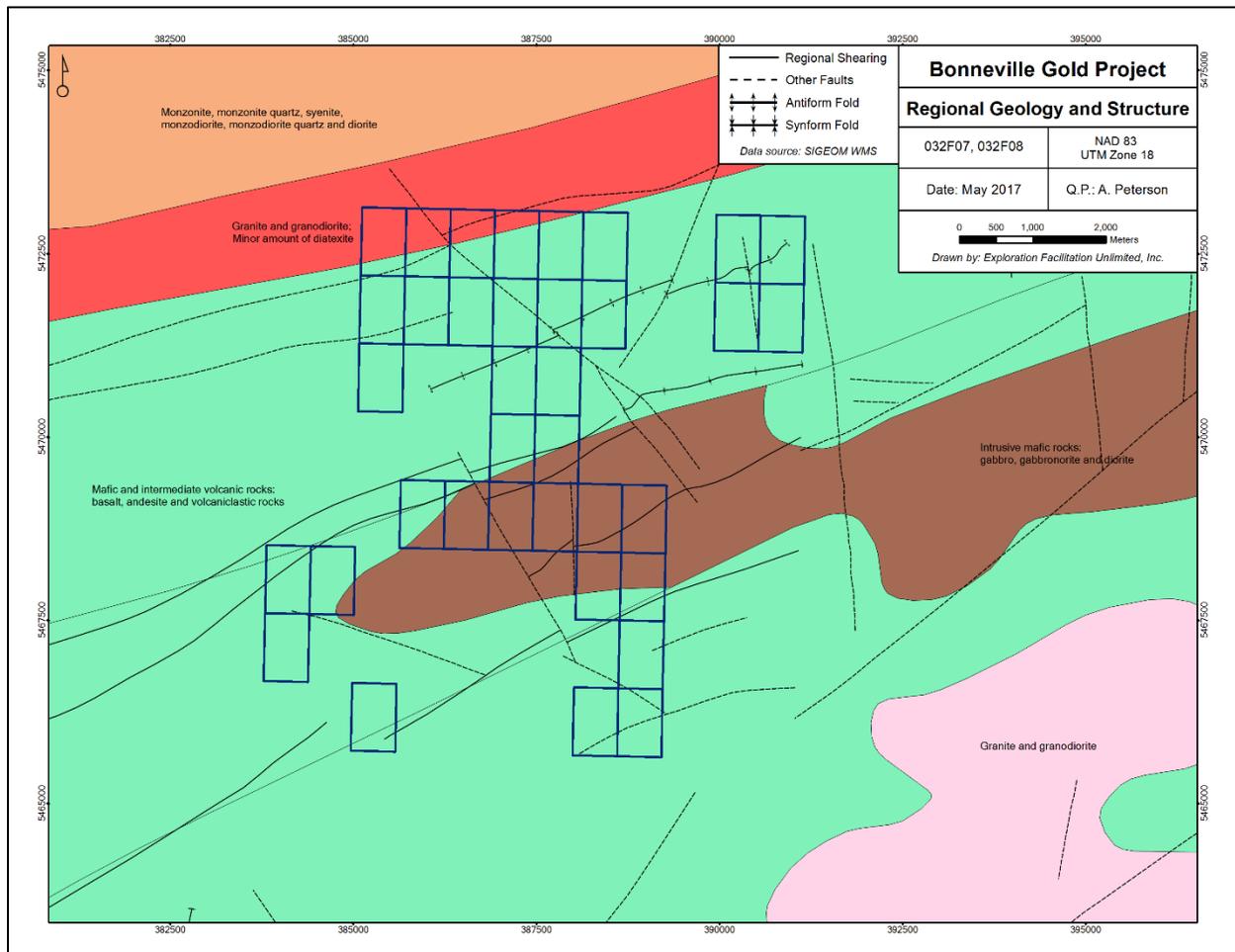


Figure 3. Regional Geology, Bonneville Gold Property.

The rocks of the Bonneville area were subjected to two separate deformation phases. The main phase, D2, generated the regional schistosity (S2) as well as the axial plane for P2 folds and was responsible for the flattening of certain features such as pillows, amygdulites and clasts in sedimentary rocks. The later phase, D3, created tight folds that plunge moderately to the NNW or SSE, including the syncline south of highway 113 and the anticline north of the highway on the northern claims. D3 also formed a crenulation cleavage and fractures that parallel the axial planes of folds.

Two main deformation zones cut across the Property north and south of the O'Sullivan Pluton: The Lac Burge shear zone and the Duplessis shear zone. They are oriented ENE, extend for well over 10km and can be up to 1km wide. It

has been suggested that the Lac Burge shear zone can be correlated to the Opawica Shear zone. These deformation zones would have facilitated fluid migration and are characterized by iron carbonate, epidote, and/or silica alteration as well as Pyrite mineralization. In addition to these two regional-scale deformation zone, numerous other faults (both sinistral and dextral) occur on the Property in NNE, NS, NW and NNW directions, cross-cutting the regional fabric (S2) and represent excellent potential exploration targets.

Property Geology

The southern claims, located between Lacs Burge and Rochester, were found to be low-lying in relief resulting in a terrain with very little rock outcropping. Rocks here were sedimentary in nature, with silicified argillites and wackes becoming interbedded with volcanoclastic rocks as you moved eastward.

The western claims, where not covered in swamps, overly gabbroic rocks with localized roof pendants of metasedimentary units with foliations dipping steeply to the NNW.

The eastern claims experience moderate relief with swamps and plateaus, cliffs and steep hills. The claims are bisected from west to east by the Lac Burge shear zone, with steep cliffs of moderate relief on either side and a swamp covering the deformation corridor. The rocks are predominantly felsic intrusives of the O'Sullivan pluton with roof pendants of metavolcaniclastics, metasediments and iron formation. Here, foliations dip steeply to the NE and SE.

The northern claims are relatively low-lying with a fair amount of outcropping. Here, the contact between a granodiorite intrusive and the mafic volcanics is sheared and mineralized with two thin bands of Pyrrhotite and Pyrite above and below the shear zone.

Mineralization

The Bonneville Gold Property, and the region in general, is host to anomalous gold, silver and base metal values. This is put in evidence by the presence of numerous showings on or adjacent to the claims, including the Rochon showing (0.85% Cu), the Lac Burge Nord showing (6.90gpt Au/2.30m, 6.40gpt Au/4.60m and 5.80gpt Au/5.10m, claims belong to Nyrstar) and the Duplessis H showing on the shores of Lac Rochester. Most anomalous metal values have been found either adjacent to or within deformation structures or lithological contacts. Base metals occur predominantly as thin layers of massive sulfides but also as disseminations while coarse free gold has been observed in veins within shear zones. Anomalous metal values have been associated with quartz-carbonate-sulfide veins in shear zones (Au, Cu), volcanic detrital units (Zn, Cu, Ag, Pb, Au) and as disseminations within silicified tuffs or felsic rocks. Mineralization on the Property has not been investigated to a sufficient extent to determine the length, width and continuity of mineralized showings. Additional work is required to investigate the nature and extent of all mineralized intercepts discovered to date on the Property.

Deposit Types

The Bonneville Gold Property was investigated for both gold and base metal mineralization. The large deformation corridors of the Lac Burge and Duplessis shear zones were interpreted as favourable structures for anomalous lode gold mineralization while the presence of felsic volcanics showed potential for volcanic massive sulphides ("VMS") style deposits. Gold, copper, zinc, nickel and silver showings occur on, or adjacent to, the Bonneville Gold Property. A large portion of the showings in the region appear to be located along lithological contacts between mafic or felsic intrusives and the host volcanics. Numerous gold showings also occur along structural corridors on or near intrusive contacts. At Bonneville, the O'Sullivan pluton intruded felsic lavas, tuffs and sedimentary rocks and may have favored the circulation of mineralized fluids along the contacts between the different units as well as along the shear zones that bound the pluton. In addition, the faults that cut the pluton could also favor economic mineralization since it is along several of these NW faults that we find several gold showings (Lac Burge Nord and Agar on the Nyrstar Property). The limbs of the anticlinal and synclinal folds on the northern claim block also represent areas of high mineralization potential, as folds tend to act as fluid traps. These folds are very close to the O'Sullivan pluton, and could be strongly mineralized, especially if they are sheared.

Exploration

2017 Work Program

From February 22nd to March 7th, 2017, Exploration Facilitation Unlimited Inc. (“EFU”) and Canexplor Management Ltd., on behalf of the Vendor, conducted a 14-day exploration program designed to test areas on the claims that were identified as favourable targets for exploration such as geophysical anomalies and structures. Proposed work included ground geophysics (Magnetometer survey and Beep Mat), as well as small-diameter backpack drilling. Deep snow cover, coupled with unseasonably warm weather, caused delays and slightly higher than average costs in the execution of the planned exploration program. The field crew was based out of Lebel-sur-Quévillon for the duration of the exploration program.

While the work described in this section was not performed on behalf of the Issuer, the results of the 2017 exploration program were included in detail below due to their relevance to the recommendations made by the Author in the “*Recommendation*” subsection below.

Geophysics

Due to the depth of the overburden at Bonneville, a magnetometer survey was proposed as an excellent tool to assist with mapping stratigraphy, structure and potential mineralization. Since the two main deformation corridors run NE-SW, the magnetometer survey was planned from North to South at 200m line spacing and 12.5m in between stations. The magnetometer survey was completed using a GSM-19V Overhauser Magnetometer built by GEM of Toronto, Ontario. Magnetic diurnal was monitored with a GSM-19 base station. The raw magnetic readings were downloaded with the magnetic diurnal corrections subsequently applied. Diurnal corrections varied from -33 NT to 32 NT, with no large fluctuations in the magnetic field occurring during the survey. The survey, which covered fifteen (15) or the thirty-six (36) claims, consisted 32.5 line-km over 27 lines divided into four (4) blocks for a total of 2,640 magnetic readings. The magnetometer data, once processed, identified several strong magnetic formations that represent potential anomalies. The locations of these potential anomalies coincide with the two large-scale structures that cut through the Property.

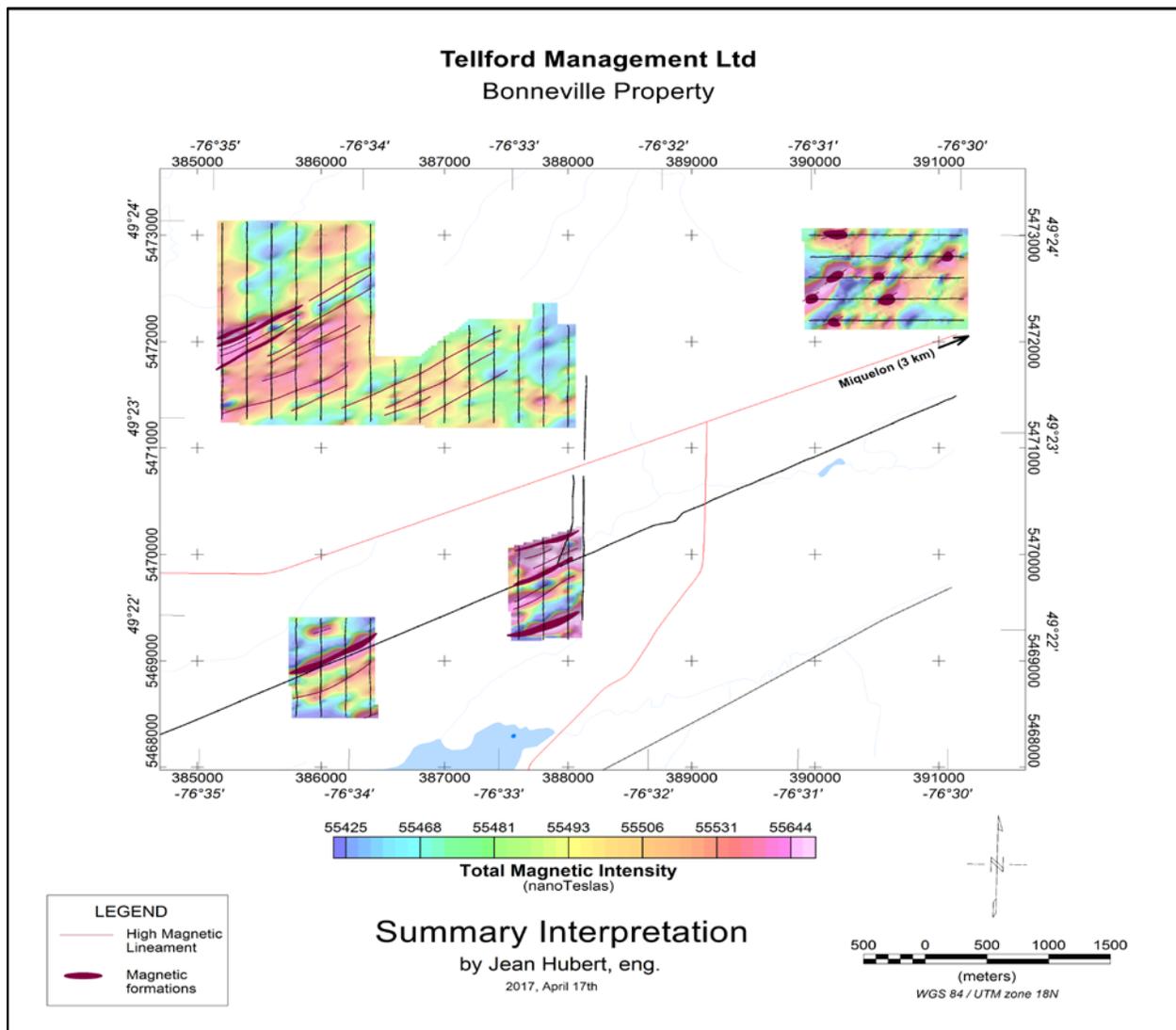


Figure 4. Summary interpretation of magnetic data overlying total magnetic field intensity (tmi).

The Beep Mat program was planned to cover as much of the claims as possible on 200m line-spacing, with grid orientations changing depending on the orientation of the targeted structure or geophysical anomaly. Surveys were completed at the Property in a north-south direction to properly investigate the main structures, which cut the Property in a NE-SW direction. It was noticed rather early on that the unexpectedly deep snow cover often exceeded the Beep Mat's effective depth, rendering the tool useless in many areas. The Beep Mat did identify a conductive zone in the north-west claims that was further investigated by reducing line spacing. Subsequent backpack drilling identified the source of the conductor as reflective clays. The Beep Mat survey, which totaled 68.4 line-km, failed to identify any additional targets that could be drilled using the backpack drills.

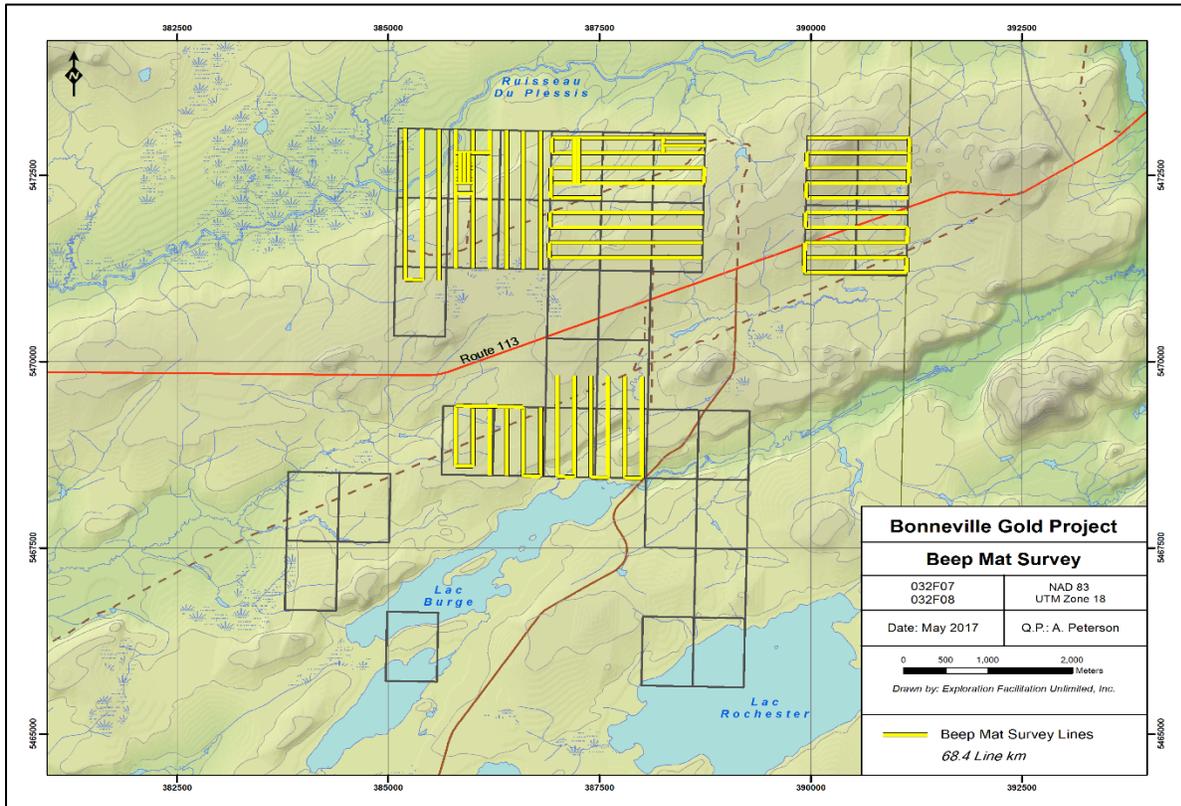


Figure 5. Beep Mat survey lines, 2017 exploration program.

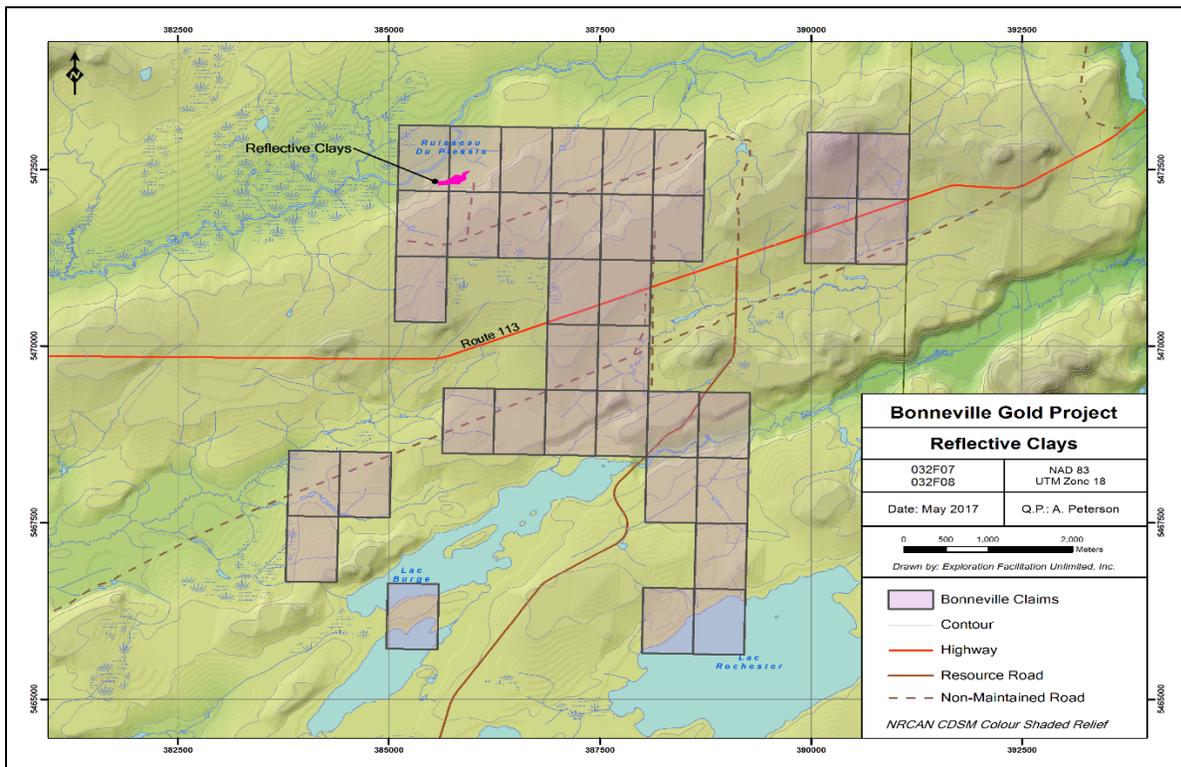


Figure 6. Location of reflective clays identified during Beep Mat survey.

Soil Sampling

Due to the lack of targets generated by the Beep Mat survey for the backpack diamond drills, a decision was made to implement a small, targeted, soil sampling program in order to provide a second data set to complement the results of the magnetometer survey. Due to time constraints, target areas for the sampling program were carefully selected based on two sets of existing information: Aeromagnetic anomalies provided by the government's existing online database and areas highlighted by a government-sponsored analysis that used pre-existing data to pick the most favourable targets for VMS deposits (EP2011-01). The soil samples were collected using the backpack drills due to the depth of overlying snow, which exceeded 1.5m in some areas. The backpack drills use steel parts as well as plastic sample tubes to collect the soils in-situ and maintain the integrity of the samples while avoiding contamination. The samples were collected along lines spaced 50m apart with sample stations also 50m apart. In total, crews collected 81 soil samples at depths of up to 50cm. Samples were predominantly collected from clay-rich layers with varying amounts of silt. Soil assay results returned anomalous values for Au, Cu, Ni and Zn in three separate areas which overlie several regional-scale structures.

Figures 7, 8 and 9 show the results of the soil sampling program with values determined to be anomalous highlighted in red. These assay values have been highlighted due to their elevated values compared to known background values of these metals in various rock types. We know that the geology of the Property includes mafic to intermediate volcanics and intrusives. These rocks are known to naturally carry, on average, 10 to 100ppm Cu and Zn, <1 to 150 ppm Ni and less than 5ppb Au (http://www.nr.gov.nl.ca/nr/mines/pro prospector/matty_mitchell/avg_adbund_table.html).

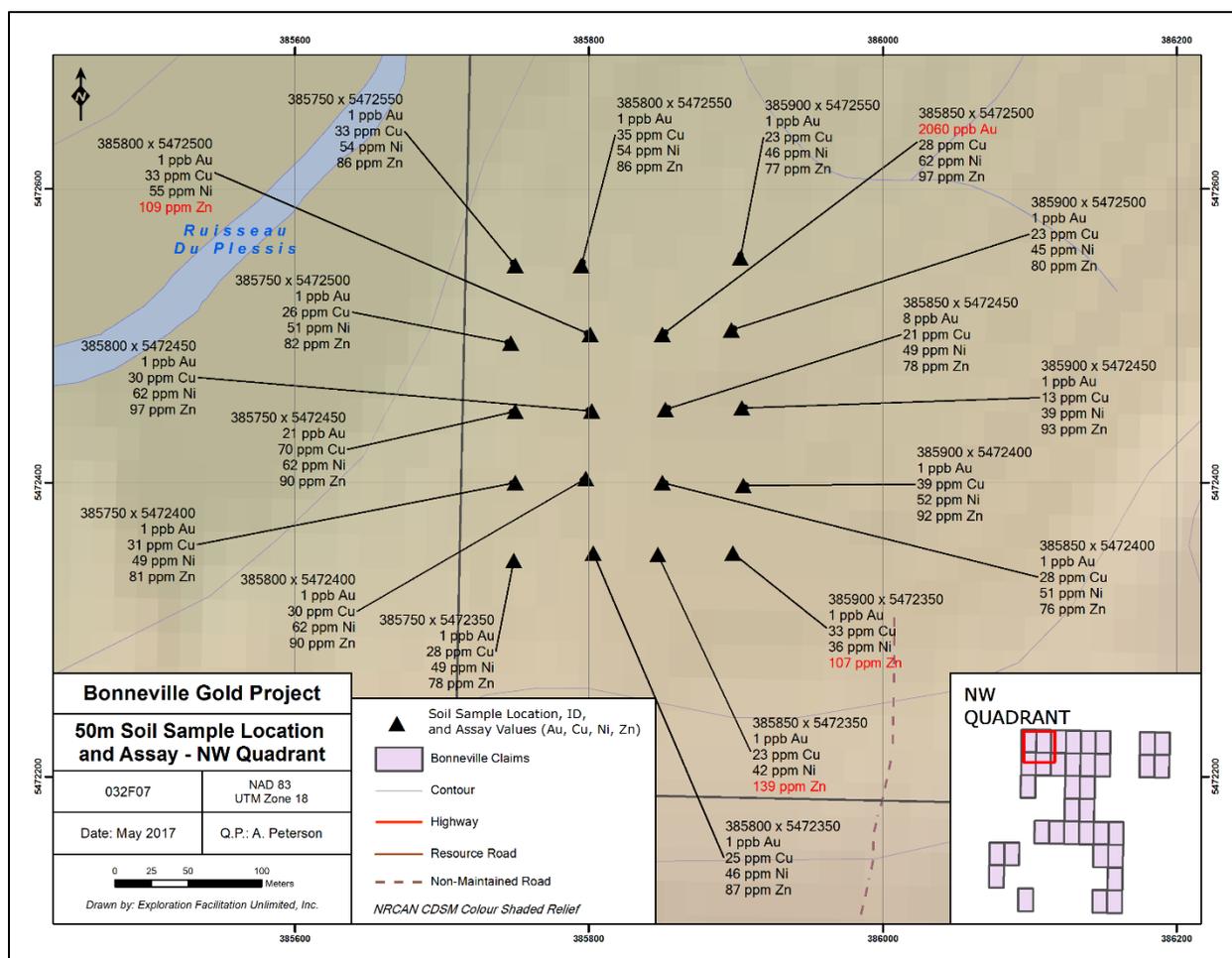


Figure 7. Soil sample results for the NW quadrant with best assays for Au, Ag, Cu, Ni and Zn.

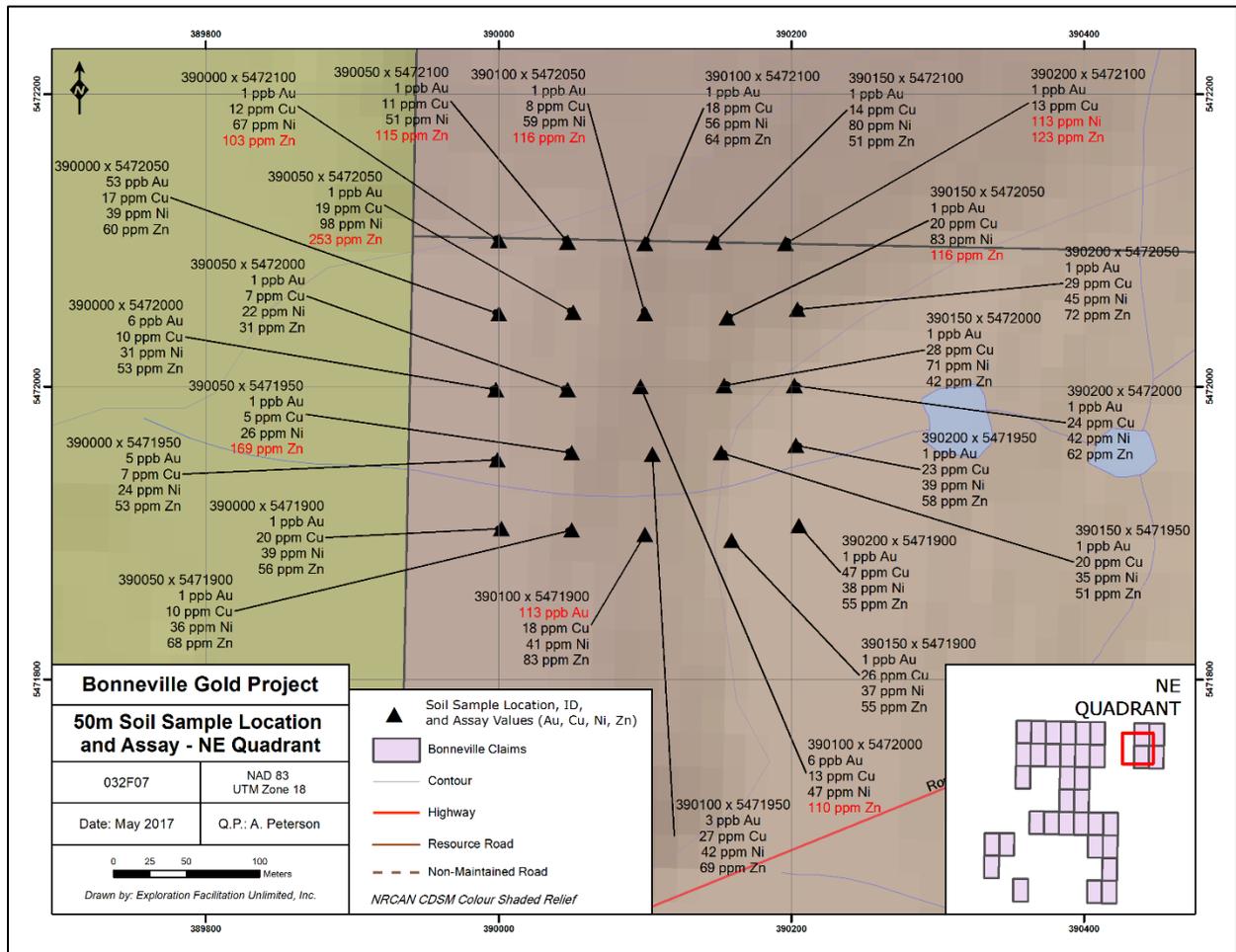


Figure 8. Soil sample results for the NE quadrant with best assays for Au, Cu, Ni and Zn.

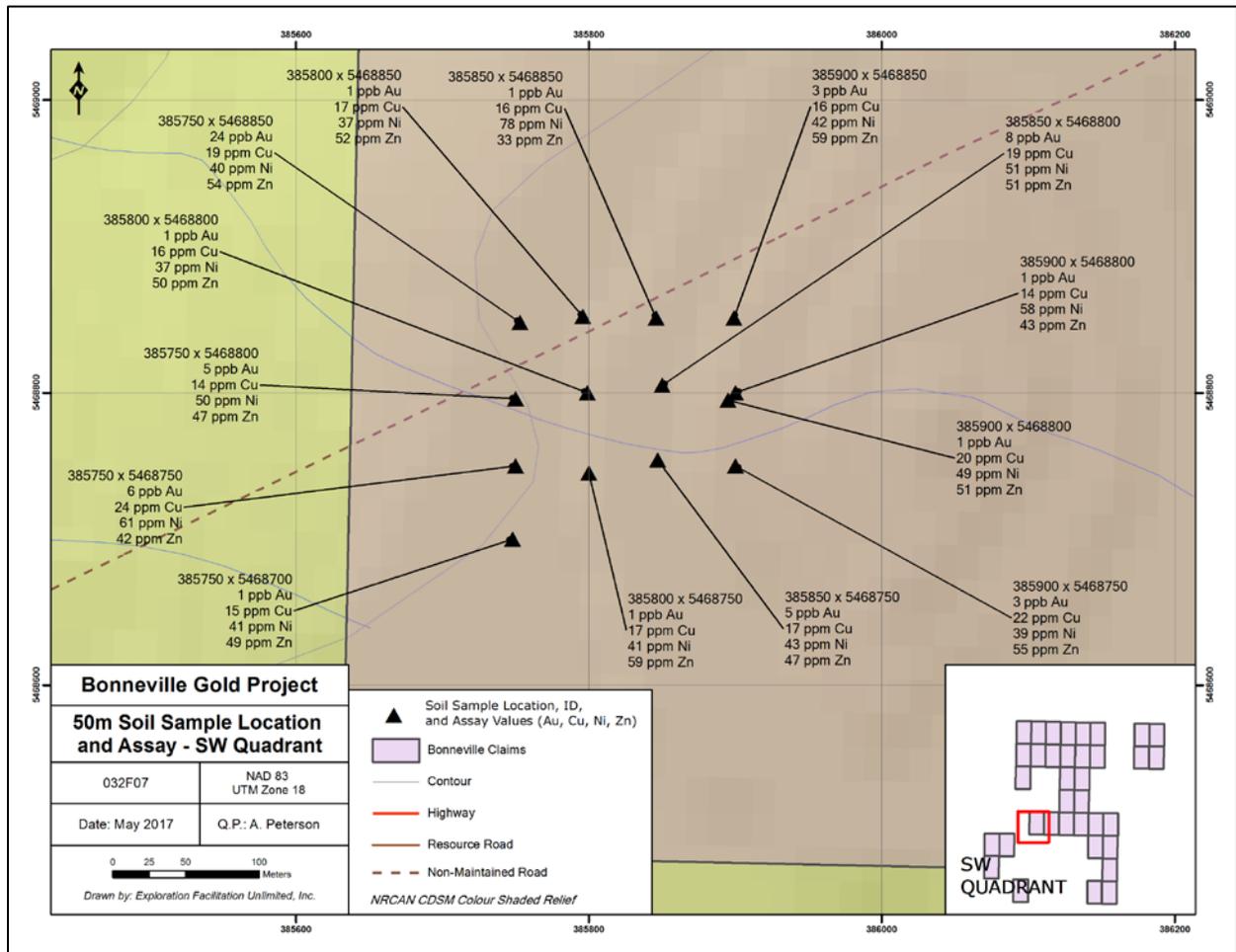


Figure 9. Soil sample results for the SW quadrant with best assays for Au, Cu, Ni and Zn.

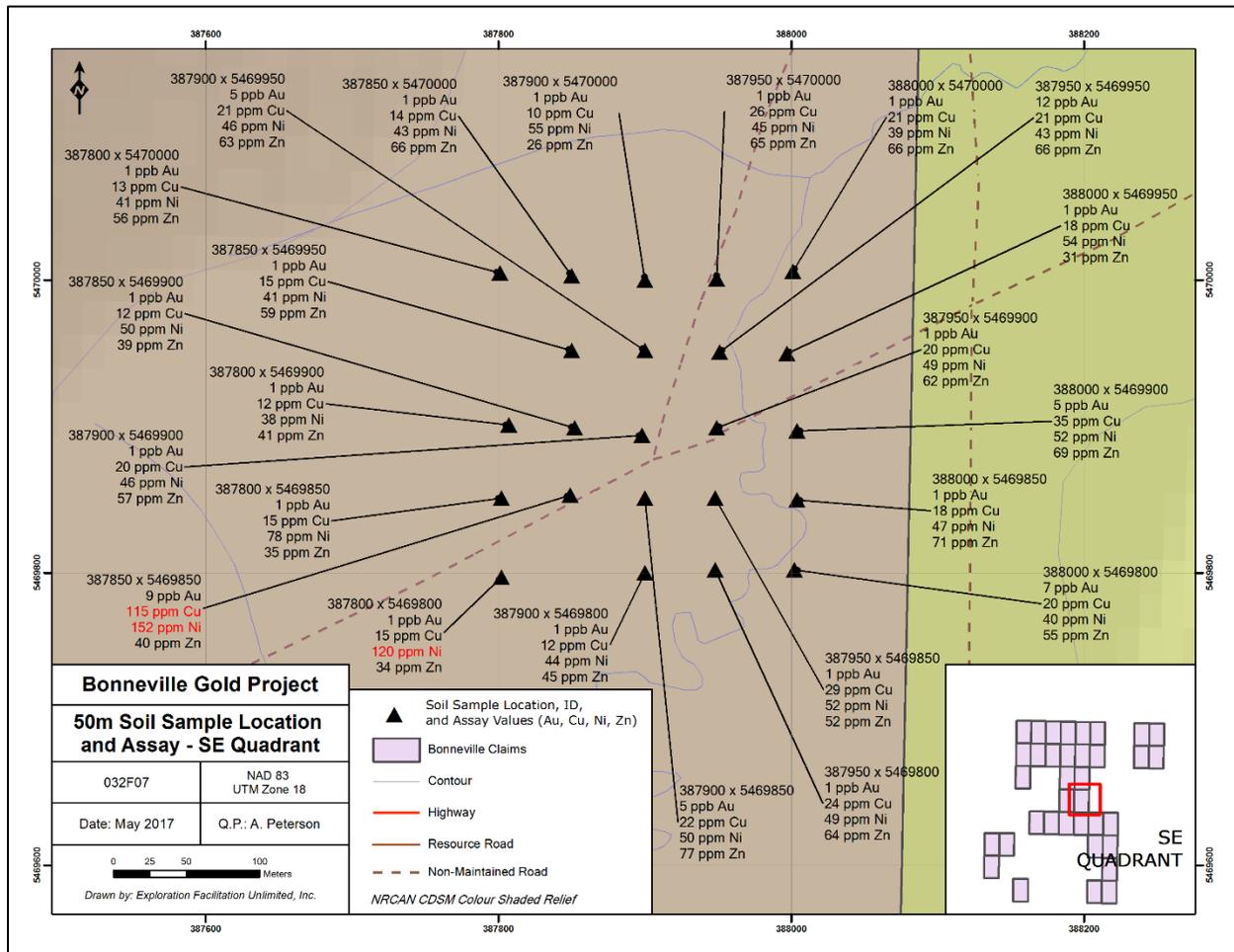


Figure 10. Soil sample results for the SE quadrant with best assays for Au, Cu, Ni and Zn.

Drilling

No diamond drilling was completed on the Property during the 2017 exploration program. No other known diamond drilling has been completed on the Property, and any diamond drilling completed historically was discussed in the “History” subsection above.

Sample, Analysis and Data Verification

The Author does not know any of the sampling or security details regarding historical work programs on the Property. Due to the early stage of exploration on the Property, no formal Quality Assurance/Quality Control (QA/QC) protocol has been established. For the 2017 exploration program, samples collected in the field were described in detail before being sealed into plastic sample bags. UTM co-ordinates and a brief description were also recorded for each individual sample. Samples were placed into plastic sample bags with a sample tag inserted into the bag and the corresponding number written in black permanent marker on the outside of the bag. Sample bags were then sealed using plastic zip ties before being removed from the field. All samples collected during the exploration program were stored under lock and key in the project manager’s hotel room until samples were ready for transport to the lab. Samples were reviewed a second time to ensure all samples were properly identified prior to transport. Samples were then transported by EFU employees from the hotel in Lebel-sur-Quévillon to the EFU facilities in London, Ontario. Here, the soil samples were dried before being submitted to Activation Laboratories Ltd. (“Actlabs”), of Ancaster, Ontario. At no time were the samples in the possession of a third party. The Author has deemed the sample preparation and security procedures employed by EFU employees to be adequate.

Once at the lab, samples were assayed using a combination of Atclab’s 4-acid “Near Total” Digestion in conjunction with INAA analysis of resistive elements. The 4-acid digestion utilizes hydrochloric, nitric, perchloric and

hydrofluoric acids to digest samples. In order to accurately reproduce digestion conditions for each analysis, Actlabs has automated the process with the use of a microprocessor designed hotbox. Because certain minerals can only be partially dissolved or stable in solution, INAA (Instrumental Neutron Activation Analysis) was used to accurately determine the concentration of those elements in the soil samples. INAA yields total metal concentrations and is a very good tool for determining elements such as Au, Co, As and U. Results of the 2017 exploration program were verified using the assay certificates. Blanks, standards and duplicates inserted by the laboratory were found to be within the acceptable ranges of values indicating no contamination between samples during analysis. Eighty-one samples were sent to the lab, where an additional twenty-five QA/QC samples were inserted into the sample stream. This equates to one QA/QC sample for every three samples submitted to the lab. This exceeds the industry average of one QA/QC sample for every 10 samples submitted.

The quality management system of Actlabs operates in accordance with ISO/IEC 17025:2005 (CAN-P-4E) and is also compliant with CAN-P-1579 *Guidelines for Mineral Analysis Testing Laboratories*. The management system and methods are accredited by the Standards Council of Canada.

The laboratory employs comprehensive quality control programs to monitor sample preparation and analysis. Quality control measures include the use of barren material to clean sample equipment in between batches. Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference materials, and replicate samples. To augment the QA/QC procedures employed by the lab, it is recommended that EFU initiate its own QA/QC procedures moving forward, primarily by inserting blanks and standards into their sample stream before submitting them to the lab. This will allow the company to verify the lab results independently.

Actlabs is considered by the Author to have adequate sample preparation, security, and analytical procedures, and to operate at industry standards. The Issuer and the Vendor have no relationship with Actlabs other than as clients.

Data Verification

The data presented within this report were collected from a variety of cited sources including historical documents, scientific papers and government websites. Other than a review of claim status, the Author did not attempt to verify other Property information as the accuracy of information provided by the cited sources was considered to be sufficient by the Author. None of the assessment or historical work reports used as references in the preparation of this report provided details of the sampling or analytical methods used. Quality control methods and security procedures were not discussed either.

The Author finds that the sampling procedures used in the 2017 exploration program were satisfactory and similar to standard practices in the industry. The QA/QC procedures at Actlabs were ample for the number of samples analyzed and generated data with a high degree of confidence.

Mineral Processing and Metallurgical Testing

The Author is unaware of any mineral processing and/or metallurgical testing having been carried out on the subject Property.

Mineral Resource Estimates

No Mineral Resource, as currently defined by Canadian Institute of Mining, Metallurgy and Petroleum (C.I.M.) terminology, has been outlined on the Property.

Adjacent Properties

While no large deposits occur adjacent to, or along, the same deformation zones that cross the Bonneville Gold Property, work done on adjacent claims support the mineral potential of the area.

Interpretation and Conclusions

In the Author's opinion, the Bonneville Gold Property is located within a favorable environment for gold and VMS-type base metal deposits. Two large felsic batholiths bound the Property to the north and south, numerous felsic and mafic plutons and sills dot the area and two regional-scale deformation corridors cut through the claims. These are

prime conditions for the formation of various types of precious and base metal deposits. It is clear from historical mapping and prospecting programs that the rocks on the Property have been subjected to considerable hydrothermal activity, as evidenced by the often strong, widespread silicification and alteration of the various lithologies. The presence of varying amounts of sulfides within these altered rocks is also quite promising, as the bulk of the showings and mines in the region (Nyrstar's Langlois, Metanor's Lac Bachelor) are hosted in mineralized and silicified volcanic rocks at or near lithological contacts or structural deformation corridors. A 2011 compilation map produced by Géologie Québec (EP2011-01) analyzed the potential for VMS deposits in the Abitibi. The Author of this study considered geophysical (Megatem survey) as well as geological data before ranking areas from low to high potential for mineralization. Three interpreted high potential zones fall within the Bonneville Gold Property: two parallel swaths (one significantly longer than the other) trending north-west from the shores of Lac Rochester towards Lac Burge and a small area located adjacent to the 1982 drill holes completed by SEREM on the north-west claims. Anomalous assay values in soil samples graded as high as 2.06 g/t Au, 115ppm Cu, 152ppm Ni and 253ppm Zn. These assays are associated with samples taken directly above several of the structures that cross the Property, including the regional-scale Duplessis shear zone, which crosses through the central claims just south of the highway. These anomalous soil values also coincide with several magnetic anomalies identified from the magnetometer survey completed in 2017 which confirms the potential for metallic deposits on the Bonneville Gold Property.

The only real risk associated with exploration work at the current stage involves the consultations with First Nations that is required as part of the permit application process. Any exploration work that includes cutting down trees requires a specific permit (Permis d'Intervention) issued by the MFFP. The permit estimates the volume of merchantable timber that will be cut as well as the associated stumpage fees. Part of the permitting process includes consultations with First Nations, which can take anywhere from five to thirty days to complete, assuming that relations between the government and First Nations are positive and moving forward. Any break in communications between the two parties could result in delays, as any work related to the permit cannot begin until the permit has been issued.

Conclusions

The objective of the Bonneville Gold Technical Report is to assess the potential for the Bonneville Gold Property to host lode gold or VMS-style mineralization. The Bonneville Gold Property overlies lithological and structural environments that have been shown to host VMS and lode gold style deposits within the region and the Abitibi greenstone belt. Historical work on these claims has been quite limited and most of the available data is quite outdated. Exploration work completed in 2017 discovered three areas of anomalous metal-in-soils that coincided with known structures and magnetic anomalies. However, the available data is somewhat spotty with the bulk of the claims underexplored and as such, additional work needs to be completed in order to fully assess the mineral potential on the Property.

Recommendations

The claims comprising the Bonneville Gold Property are currently at various stages of exploration, with the most advanced works completed in several of the north, central and east claims. The magnetometer survey and soil sampling program identified several anomalies that appear associated with large- to regional-scale structures. The magnetic anomalies have the same NW-SE orientation as the structures they overlie. These areas merit further investigation in order to assess their economic importance in addition to their structural and/or lithological controls.

Proposed Budget: Phase 1 Work

The anomalous soil assays are associated with magnetic anomalies that in turn coincide with mapped structures that have apparent-strike lengths of several hundreds of meters. Follow-up in all three areas would involve the drilling of a series of holes, targeting each of the three (3) areas of interest, spaced 100m apart along-strike. The holes should be set 25m back from the structure and be drilled to approximately 125m to verify the presence of structure and mineralization at depth. Four to five drill holes would be used in each area in order to test potential mineralization both at-depth and along-strike for a total of 15 holes and 1,875m of drilling. An extra 125m of drilling has been budgeted for any unforeseen extensions of drill holes for a total of 2,000m of drilling.

The drilling program would necessitate the clearing of access trails and drill pads, which require a permit and the payment of associated stumpage fees, estimated at \$1500. A bulldozer would be required to open up access trails and prepare drill pads. The program would be run by one project geologist, assisted by a core logging geologist and a core technician. The all-in drilling cost, including mobilization, demobilization, site set-up and tear down and moves is estimated at \$100 per meter. The total number of core samples was calculated based on sampling the entire length of

the drill holes as constraints on mineralization in these specific areas are poorly understood and selective sampling could miss potential mineralization. Core sample assays are approximately \$20 per meter. At an average of 100 meters of drilling per day, the program would take 20 days to complete. The budget included calculates personnel costs based on a 22-day program to allow for delays in drilling or any other issues that would cause the program to run longer than expected.

Table 2. Budget for Phase 1 of Work Plan

Category				Total Cost
Project Preparation				\$7,500
Mobe/Demobe (including transportation and wages)				\$5,000
Forestry Technician Consultation/stumpage fees				\$1,500
Consumables and Supplies				\$1,500
Field Crew	Rate	Days	Cost	
Project Geologist	700	22	\$15,400	
Field Geologist	600	22	\$13,200	
Core Technologist	400	22	\$8,800	
				\$37,400
Field Cost	Rate	Days	Cost	
Transportation ⁽¹⁾	250	22	\$5,500	
Lodging and Meals	600	22	\$13,200	
				\$18,700
Assay and Analyses	Rate	Units		Cost
Drill Core Assays	20	2000		\$40,000
Contracts	Rate	Units		Costs
Diamond Drilling	100	2000		\$200,000
Bulldozer (site prep)				\$10,000
Technical Report				\$7,500
				\$217,500
Contingency Fund (15%)				\$49,365
Grand Total				\$378,465

(1) Transportation costs cover pick-up truck rentals, snowmobile/ATV rentals and fuel.

All numbers in the budget above are quoted in Canadian dollars (\$CAD). The work would take approximately 22 days to complete and the aggregate estimated cost for the program is \$378,465. Crews would be based out of Lebel-sur-Quévillon.

Proposed Budget: Phase 2 Work

Phase 2 is contingent upon positive assay results from Phase 1 drilling. Phase 2 would involve an additional 3,000m of diamond drilling. These additional meters could be used for several purposes depending on the results of the previous phase. The holes could test along-strike continuity, down-dip continuity or as in-fill drilling to bring spacing down to 50m and test continuity between holes. All the costs used to estimate the Phase 1 budget were used for Phase

2. The only difference is the assumption that the number of samples required would decrease as Phase 1 would give a good idea of what hosts the mineralization, allowing for selective sampling. The cost of consumables was increased due to the increase in meterage and days to complete the program.

Table 3. Budget for Phase 2 of Work Plan

Category			Total Cost
Project Preparation			\$7,500
Mobe/Demobe (including transportation and wages)			\$5,000
Forestry Technician Consultation/stumpage fees			\$1,500
Consumables and Supplies			\$2,500
Field Crew	Rate	Days	Cost
Project Geologist	700	35	\$24,500
Field Geologist	600	35	\$21,000
Core Technologist	400	35	\$14,000
			\$59,500
Field Cost	Rate	Days	Cost
Transportation ⁽¹⁾	250	35	\$8,750
Lodging and Meals	600	35	\$21,000
			\$29,750
Assay and Analyses	Rate	Units	
Drill Core Assays	20	2000	\$40,000
Contracts	Rate	Units	Costs
Diamond Drilling	100	3000	\$300,000
Bulldozer (site prep)			\$10,000
Technical Report			\$7,500
			\$317,500
Contingency Fund (15%)			\$69,488
Grand Total			\$532,738

(1) Transportation costs cover pick-up truck rentals, snowmobile/ATV rentals and fuel.

USE OF PROCEEDS

Proceeds and Principal Purposes

The net proceeds to the Issuer from the sale of the Shares, after deducting the Agent's Commission of up to \$45,500 and the estimated expenses of the Offering of approximately \$105,000, will be approximately \$499,500.

The total funds expected to be available to the Issuer upon closing of the Offering are as follows:

	Available Funds
Net Proceeds	\$499,500 ⁽¹⁾
Estimated Working Capital as at November 30, 2017	\$70,088
Total Funds Available	\$569,588

- (1) This excludes the proceeds of the issuance of any Common Shares that may be issued upon exercise of the Options.

The proposed principal uses of the total funds available to the Issuer upon completion of the Offering for the 12 months following the Closing are as follows:

Use of Proceeds	
Stage 1 program on the Bonneville Gold Property ⁽¹⁾	\$378,465
General and administrative expenses of the Issuer ⁽²⁾	\$60,000
Unallocated Working Capital ⁽³⁾	\$131,123
Total	\$569,588

- (1) Bonneville Gold Technical Report recommends a two-stage exploration program on the Bonneville Gold Property, with the second stage of the work program being contingent on the success of the first stage. Upon completion of the Offering, the Issuer will not have sufficient funds available to conduct the recommended Stage 2 work program, and will be required to raise additional funds in order to complete Stage 2 of the recommended work program. The Issuer is unable to guarantee that it will successfully raise the necessary funds to complete the Stage 2 work program. See "*Narrative Description of the Business – Bonneville Gold Property – Technical Summary of the Bonneville Gold Property – Recommendations*".
- (2) Estimated general and administrative expenses of the Issuer for a period of 12 months following the completion of the Offering will be as follows: \$33,000 for salaries, \$12,000 for audit fees; \$3,000 for transfer agent, \$3,600 for website development, \$5,400 for legal fees; and \$3,000 for sundry and miscellaneous.
- (3) Any proceeds from the exercise of the Options or a reduction of the Agent's Commission, as a result of the President's List, will be added to working capital.

The Issuer intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons, a reallocation of funds may be necessary in order for the Issuer to achieve its stated business objectives. Accordingly, the Issuer cannot specify with certainty all of the particular uses for the net proceeds to be received upon the completion of the Offering, and the amounts it actually spends could vary from the amounts set forth above. The amounts actually allocated and spent will depend upon a number of factors, including the Issuer's ability to execute its business strategy, prevailing industry and market conditions and the results of exploration programs. See "*Risk Factors*" for further details. As well, from time to time the Issuer expects to evaluate and execute, as appropriate, potential acquisitions of properties or strategic relationships. Accordingly, management will retain broad discretion to allocate the Issuer's net proceeds of the Offering. Pending their use, the net proceeds of the Offering will be maintained in bank accounts or invested in short-term, interest-bearing, investment-grade securities.

Stated Business Objectives and Milestones

The Issuer's business objectives are to:

1. complete the Offering by January 31, 2018;
2. complete the recommended Stage 1 program on the Bonneville Gold Property, using funds available from the Offering, by September 30, 2018;
3. if the results of the Stage 1 program is successful, undertake the recommended Stage 2 program on the Bonneville Gold Property, using funds available from the Offering and additional financings, as required, by September 30, 2018;
4. discover new zones of precious and base metal mineralization at the Bonneville Gold Property; and
5. acquire additional prospective precious or base metal property interests.

In the event that the results of the Stage 1 program does not warrant further exploration activity, the Issuer will revise its business plan and objectives, which revisions may include the acquisition of additional mineral properties or joint ventures with other exploration or mining companies. Such activities will also likely require that the Issuer raise additional capital. There can be no assurance that the Issuer can raise such additional capital if and when required. See "*Risk Factors*."

The Board may, in its discretion, approve asset or corporate acquisitions or investments (including acquisitions outside the mining industry) that do not conform to these guidelines based upon the Board's consideration of the qualitative aspects of the subject properties including risk profile, technical upside, mineral resources and reserves and asset quality. Such acquisitions may require shareholder or regulatory approval.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion & Analysis ("MD&A") of Financial Condition & the Results of Operations for the Financial Period Ended August 31, 2017

This MD&A is for the financial period ended August 31, 2017 and should be read in conjunction with the Issuer's audited financial statements and the related notes contained therein for the financial period ended August 31, 2017 (the "Financial Statements") which are included in this Prospectus. The Financial Statements summarize the financial impact of the Issuer's financings, investments and operations, which financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). The significant accounting policies are set out in Note 3 to the Financial Statements.

Overview for Financial Period Ended August 31, 2017

The Issuer is engaged in the business of mineral exploration in Québec. On August 10, 2017, the Issuer entered into the Option Agreement with the Vendor to acquire a 100% interest in 36 mineral claims comprising the Bonneville Gold Property. The Issuer's option on the Bonneville Gold Property is its principal asset.

The Issuer raised a total of \$130,000 in cash from the issuance of an aggregate of 5,050,000 Common Shares pursuant to private placements during the period ended August 31, 2017.

During the financial period ended August 31, 2017, the Issuer incurred \$13,000 in connection with legal and professional costs associated with the Offering.

Selected Financial Information

The following table represents selected annual financial information derived from the Issuer's Financial Statements for the financial period ended August 31, 2017 and should be read in conjunction with the Financial Statements.

	For the Financial Period Ended August 31, 2017
Total Revenue	Nil
Net loss	\$(4,719)
Basic & diluted loss per share	Nil
Total assets	\$137,781
Long-term debt	Nil
Total Liabilities	\$12,500
Shareholder Equity	\$125,281
Share capital	\$130,000
Deficit	\$(4,719)

Results of Operations for the Financial Period Ended August 31, 2017

During the financial period ended August 31, 2017, the Issuer reported Nil revenue and a net loss of \$4,719.

Total expenses for the period ended August 31, 2017 were \$4,719.

During the financial period ended August 31, 2017, the Issuer also incurred share based compensation expense in the amount of Nil.

During the financial period ended August 31, 2017, the Issuer paid \$5,000 pursuant to the Option Agreement and incurred exploration expenditures aggregating Nil.

Discussion of Operations

The Bonneville Gold Property is the Issuer's sole property. Upon the successful completion of the Offering, the Issuer intends to complete a two-stage, contingent exploration work plan on the Bonneville Gold Property. See "*Narrative Description of the Business – Bonneville Gold Property - Recommendations*" and "*Use of Proceeds – Stated Business Objectives and Milestones*".

Fourth Quarter

The Issuer is not a reporting issuer and was not required to prepare interim financial statements for the three month period ended August 31, 2017 with which to report on the activities in the fourth quarter.

Liquidity and Capital Resources

The Issuer's sole source of funding is the issuance of equity securities for cash, primarily through private placements. Since inception the Issuer has issued Common Share capital pursuant to private placement financings. There can be no assurance of continued access to any equity funding.

During the financial period ended August 31, 2017, cash inflows included gross proceeds of \$130,000 from the issue of 5,050,000 Common Shares pursuant to private placements. Cash expended on operating activities in the period ended August 31, 2017 was \$469. The Issuer also incurred a loss of \$4,719 and paid \$5,000 pursuant to the terms of the Option Agreement

There can be no assurance that financing will be available to the Issuer or, if it is, that it will be available on terms acceptable to the Issuer and will be sufficient to fund cash needs until the Issuer acquires an operating business or achieves positive cash flow. If the Issuer is unable to obtain the financing necessary to support its operations, it may be unable to continue as a going concern. The Issuer currently has no commitments for any credit facilities such as revolving credit agreements or lines of credit that could provide additional working capital. The Issuer has no long term debt, capital lease obligations, operating leases or any other long term obligations.

Off-Balance Sheet Arrangements

The Issuer has no off-balance sheet arrangements.

Outstanding Securities

As at August 31, 2017, the Issuer had 5,050,000 Common Shares issued and outstanding.

Related Party Transactions

The Issuer did not have any related party transactions.

Additional Disclosure for Junior Issuers

The Issuer expects that the proceeds raised pursuant to the Offering will fund operations for a minimum of 12 months after the completion of the Offering. The estimated total operating costs necessary for the Issuer to achieve its stated business objectives during the 12 months subsequent to the completion of the Offering is \$438,465 including all material capital expenditures during that period.

Meridius has not generated positive cash flow from operations, and is therefore reliant upon the issuance of its own Common Shares to fund its operations. As of August 31, 2017, its capital resources consisted of a cash balance of \$119,531. Meridius also had an accounts payable and accrued liabilities balance of \$12,500. The Issuer expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances. In order to meet future exploration commitments and cash payments, the Issuer will require additional capital resources.

As of November 30, 2017, the Issuer had working capital of \$70,088. The Issuer expects to incur losses for at least the next 24 months and there can be no assurance that the Issuer will ever make a profit. To achieve profitability, the Issuer must advance its property through further exploration in order to bring the Property to a stage where the Issuer can attract the participation of a major resource company, which has the expertise and financial capability to place such property into commercial production.

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

Financial Instruments

For the financial period ended August 31, 2017, the Issuer's financial instruments consist of cash and accounts payable. Unless otherwise noted, it is management's opinion that the Issuer is not exposed to significant interest, currency, liquidity or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The financial instruments that potentially subject the Issuer to concentrations of credit risk consist primarily of cash. The Issuer places its cash with a high quality financial institution, thereby minimizing exposure for deposits in excess of federally insured amounts. The Issuer believes that credit risk associated with its cash is remote.

In conducting business, the principal risks and uncertainties faced by the Issuer center on exploration and development, resource and commodity prices and market sentiment.

The prices of resource and commodity markets fluctuate widely and are affected by many factors outside of the Issuer's control. The relative prices of metals and minerals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and resource exploration companies. The Issuer relies on equity financing for its working capital requirements and to fund its exploration programs. There is no assurance that such financing will be available to the Issuer, or that it will be available on acceptable terms.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of all the Issuer's significant accounting policies is included in Note 2 and Note 3 to the Financial Statements.

Accounting Standards and Interpretations Issued but Not Yet Effective

The completed version of IFRS 9, Financial Instruments, was issued in July 2014. The completed standard provides for revised guidance on the classification and measurement of financial assets. It also introduces a new expected credit loss model for calculating impairment for financial assets. The new hedging guidance that was issued in November 2013 is incorporated into this new final standard. This final version of IFRS 9 will be effective for periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 15 outlines the principles for recognizing revenue from contracts with customers. The new standard establishes a new five-step model for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new standard is effective for annual periods beginning on or after January 1, 2018, and is applicable to all entities and will supersede all current revenue recognition requirements under IFRS.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Issuer has not been determined.

DESCRIPTION OF THE SECURITIES OFFERED

Common Shares

The Issuer is authorized to issue an unlimited number of Common Shares. There are 5,050,000 Common Shares issued and outstanding as of the date of this Prospectus. Holders of Common Shares are entitled to receive notice of any meetings of shareholders of the Issuer and to attend and cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a pro rata basis such dividends on the Common Shares, if any, as and when declared by the Issuer's Board at its discretion from funds legally available therefor, and upon the liquidation, dissolution or winding up of the Issuer, are entitled to receive on a pro rata basis the net assets of the Issuer after payments of debts and other liabilities. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement dated for reference December 20, 2017 between the Agent and the Issuer, the Issuer has appointed the Agent to act as its agent to offer for distribution in the Selling Jurisdictions, on a best efforts agency basis, 6,500,000 Shares at a purchase price of \$0.10 per Share for aggregate gross proceeds to the Issuer of \$650,000 under the Offering, subject to the terms and conditions of the Agency Agreement. The Offering is subject to receiving subscriptions for 6,500,000 Shares. The Agent may enter into selling arrangements with other investment dealers and offer selling group participation at no additional cost to the Issuer. The Issuer has agreed to pay the Agent's Commission to the Agent, which will consist of a cash payment equal to (i) 7% of the gross proceeds realized from the sale of Shares to purchasers not on the President's List under the Offering, if any, and (ii) 3% of the gross proceeds realized from the sale of Shares to purchasers on the President's List under the Offering. The Issuer has further agreed to pay to the Agent a cash Corporate Finance Fee in the amount of \$25,000.

In addition, the Issuer will reimburse the Agent for their legal fees and disbursements and other expenses incurred pursuant to the Offering.

Pursuant to the Agency Agreement, the Issuer has granted the Agent the right of first refusal to provide any brokered equity or debt financings of the Issuer, for a period of 12 months after the Closing of the Offering. The Issuer has also agreed not to issue, sell, offer, grant an option or right in respect of, any additional equity or quasi-equity securities for a period of 90 days from the Closing of the Offering without the prior written consent of the Agent (not to be unreasonably withheld), except in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements in place prior to the Closing of the Offering; (ii) the issue of Common Shares upon the exercise of convertible securities, warrants or options outstanding prior to the Closing of the Offering; and (iii) previously scheduled property and/or other corporate acquisitions.

The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets or upon the occurrence of certain stated events.

The Offering Price of the Shares was determined by arm's length negotiation between the Issuer and the Agent.

The Agent hereby conditionally offers, as agent on behalf of the Issuer 6,500,000 Shares on a best efforts agency basis, subject to prior sale if, as, and when issued by the Issuer and accepted by the Agent in accordance with the terms of the Agency Agreement. The Offering is subject to receiving subscriptions for 6,500,000 Shares. All funds received from subscribers for Shares will be held by the Agent pursuant to the terms of the Agency Agreement. In the event that subscriptions and subscription funds for 6,500,000 Shares are not received and accepted on or before 90 days from the issuance of a receipt for the final Prospectus, the Offering will be discontinued and all subscription monies will be returned to subscribers by the Agent without interest or deduction, unless an amendment to the final Prospectus is filed and a receipt has been issued for such amendment, in which case the Offering will be discontinued, and all subscription monies will be returned to subscribers by the Agent without interest or deduction, in the event that a Closing in respect of the Offering has not occurred on or prior to the date which is 90 days from the issuance of a receipt for an amendment to the final Prospectus and, in any event, not more than 180 days after the issuance of a receipt for the final Prospectus, unless otherwise agreed to by the Agent and the subscriber(s).

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without prior notice.

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

This prospectus qualifies the distribution of the Shares issuable in respect of the Offering.

There is no market through which the Shares may be sold and purchasers may not be able to resell the Shares purchased under this Prospectus.

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

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

PRIOR SALES

The Issuer has issued an aggregate of 5,050,000 Common Shares since incorporation as follows:

Date	Number of Shares	Issue Price per Share	Aggregate Issue Price	Consideration Received
July 10, 2017	1 ⁽¹⁾	\$0.01	\$0.01	cash
August 21, 2017	2,500,000 ⁽²⁾	\$0.001	\$2,500	cash
August 28, 2017	2,550,000	\$0.05	\$127,500	cash
Total	<u>5,050,000</u>		<u>\$130,000</u>	

- (1) This Common Share was gifted back to the Issuer on August 21, 2017 and returned to treasury.
(2) These Common Shares were issued as founders shares to the Principals of the Issuer.

Of the 5,050,000 Common Shares currently issued and outstanding, it is expected that 4,825,000 Common Shares which are held by Principals of the Issuer will be held in escrow. See “*Escrowed Securities*”.

CAPITALIZATION

The following table sets forth the capitalization of the Issuer. The table should be read in conjunction with the financial statements of the Issuer appearing elsewhere in this Prospectus:

	Amount Authorized	Outstanding as at August 31, 2017	Outstanding as at August 31, 2017 After Giving Effect to the Offering⁽¹⁾⁽²⁾⁽³⁾
		(audited)	(unaudited)
Common Shares	Unlimited	\$130,000 (5,050,000 Common Shares)	\$800,000 (11,750,000 Common Shares)

- (1) An aggregate of 4,825,000 Common Shares are expected to be subject to escrow requirements. See “*Escrowed Securities*”.
(2) Includes 200,000 Common Shares issuable to the Vendor no later than 5 days after the date of the Exchange Bulletin, pursuant to the Option Agreement. See “*Narrative Description of the Business – Bonneville Gold Property*”.
(3) Excludes any Common Shares issued upon the exercise of Options.

The following table sets out the anticipated fully diluted share capital structure of the Issuer after giving effect to the Offering:

	Number of Common Shares Outstanding Upon Completion of the Offering	% of Fully Diluted Share Capital Upon Completion of the Offering⁽¹⁾
Issued by the Issuer as of the date of this Prospectus	5,050,000	39.45%
Common Shares issued pursuant to the Offering	6,500,000	50.78%
Common Shares issued pursuant to the Option Agreement	200,000	1.56%
Reserved for issuance upon the exercise of Options	1,050,000	8.21%
TOTAL:	<u>12,800,000</u>	<u>100%</u>

- (1) Includes shares issued upon exercise of the Options.

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES OF THE ISSUER

Stock Options

The following table sets forth certain information concerning stock options granted to the executive officers and directors of the Issuer as at the date of the Prospectus:

Held By	Total Number of Options Granted to Purchase Common Shares	Exercise Price	Market Value on Date of Grant	Expiry Date	Market Value of the Common Shares on December 20, 2017
All executive officers and past executive officers of the Issuer as a group and all directors and past directors of the Issuer who are not also executive officers of the Issuer as a group (4 persons)	1,050,000 ⁽¹⁾	\$0.10	N/A	5 years from the Listing Date	N/A
All other employees and past employees of the Issuer as a group	Nil	N/A	N/A	N/A	N/A
All consultants of the Issuer as a group	Nil	N/A	N/A	N/A	N/A
Any other holders of Options	<u>Nil</u>	N/A	N/A	N/A	N/A
TOTAL	1,050,000				

- (1) These Options were granted to certain directors and officers of the Issuer on September 15, 2017, as follows: 350,000 Options to each of Dylan Sidoo and Jordan Sidoo, 200,000 Options to David Sidoo, 60,000 Options to Chase Management Ltd., a private company controlled by Nick DeMare, and 90,000 Options to Nick DeMare.

Stock Option Plan

The Issuer has adopted a 10% rolling incentive stock option plan (the “Stock Option Plan”), in accordance with the policies of the Exchange, which provides that the Board of the Issuer may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Issuer non-transferable options (“Options”), which are exercisable for a period of up to ten years, to purchase up to 10% of the issued and outstanding Common Shares of the Issuer, except that prior to the Common Shares being listed for trading on the Exchange (or such other trading facility as the Common Shares may be listed on) the number of Common Shares which will be available for purchase pursuant to Options granted pursuant to the Stock Option Plan may exceed 10% of the number of Common Shares which are issued and outstanding on the particular date of grant of Options. In addition, the number of Common Shares reserved for issuance to any one person in a 12 month period shall not exceed 5% of the issued and outstanding Common Shares, the maximum number of Options which may be granted to any one consultant in a 12 month period will not exceed 2% of the issued and outstanding Common Shares and the maximum number of Options which may be granted to employees or consultants engaged in investor relations activities in a 12 month period will not exceed 2% of the issued and outstanding Common Shares and such Options granted to employees or consultants engaged in investor relations activities must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period. The Board will determine the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the Options, subject to the rules of the Exchange, when such Options are granted. Options must be exercised within 30 days of termination of employment or cessation of the option holder’s position with the Issuer, subject to the expiry date of such Option and certain other provisions of the Stock Option Plan. The price per Common Share set by the Board, provided that the Common Shares are traded on an organized trading facility, shall not be less than the closing trading price of the Common Shares on the last day prior to the date on which such Option is granted, less the applicable discount permitted (if any) by such applicable exchange or market.

ESCROWED SECURITIES

The Issuer has issued a total of 4,825,000 Common Shares (the “Escrow Shares”) to Principals of the Issuer, as that term is defined in National Policy 46-201 – *Escrow for Initial Public Offerings* (the “Escrow Policy”).

The following table sets out the Escrow Shares which are expected to be subject to escrow restrictions imposed by the

Escrow Policy:

<u>Designation of Class</u>	<u>Number of Securities in Escrow</u>	<u>Percentage of Class as at the date of this Prospectus</u>	<u>Percentage of Class After Completion of Offering⁽¹⁾</u>
Common Shares	4,825,000	95.55%	41.06%

(1) Does not include any Common Shares issued upon the exercise of the Options.

As required by applicable securities laws, concurrent with the closing of the Offering, the shareholders of the Issuer described below will enter into a Form 46-201F1 escrow agreement with Computershare and the Issuer (the “Escrow Agreement”), pursuant to which such shareholders will agree to deposit an aggregate of 4,825,000 Escrow Shares into escrow with Computershare as escrow agent. Under the terms of the Escrow Policy, the Issuer will, at the time of the Offering, be categorized as an “emerging” issuer. The Escrow Agreement provides that 10% of the number of Escrow Shares held thereunder will be released on the Listing Date, and an additional 15% of the number of securities originally held thereunder shall be released on each of 6 months, 12 months, 18 months, 24 months, 30 months and 36 months from the Listing Date.

The following is a list of the holders of the Escrow Shares:

Name of Principal	Number of Shares held in Escrow	Percentage of Issued Shares prior to the Distribution	Percentage of Issued Shares after the Distribution⁽¹⁾
Dylan Sidoo <i>Chief Executive Officer, President and Director</i>	1,200,000	23.76%	10.21%
Jordan Sidoo <i>Director</i>	1,200,000	23.76%	10.21%
Siden Investments Ltd. ⁽²⁾	1,050,000	20.79%	8.94%
Manjy Sidoo	750,000	14.85%	6.38%
Doug Leishman <i>Director</i>	200,000	3.96%	1.7%
DNG Capital Corp. ⁽³⁾	150,000	2.97%	1.28%
Chase Management Ltd. ⁽³⁾	150,000	2.97%	1.28%
Nick DeMare <i>Director and Chief Financial Officer</i>	125,000	2.48%	1.06%
TOTAL	4,825,000	95.54%	41.06%

(1) This assumes a total of 11,750,000 Common Shares are outstanding upon completion of the Offering (including 200,000 Common Shares issuable no later than 5 days after the date of the Exchange Bulletin pursuant to the Option Agreement) and that the principal shareholders do not acquire any securities pursuant to the Offering. This also excludes any Common Shares which may be issued upon the exercise of the Options.

(2) Siden Investments Ltd. is a private investment company that is controlled by David Sidoo.

(3) Chase Management Ltd. and DNG Capital Ltd. are private companies that are controlled by Nick DeMare.

SEED SHARE RESALE RESTRICTIONS

Common Shares of the Issuer that are issued to non-Principals (as defined in the policies of the Exchange) of the Issuer prior to the completion of this Offering (“Seed Shares”) may be subject to hold periods imposed by the Exchange. The purchase price of the Seed Shares, and the time of their purchase relative to the date of a receipt for the preliminary

Prospectus of the Issuer by the securities regulatory authorities in the Selling Jurisdictions, determine which, if any, Exchange hold period applies. This Exchange hold period does not apply to persons who are subject to the Escrow Policy as discussed above.

A total of 225,000 Seed Shares are subject to resale restrictions and are eligible for release in the numbers and on the dates set out below.

(a) 75,000 Seed Shares will be subject to the following table:

% of Shares Released	Release Dates
10%	at the time of the Exchange Bulletin
15%	6 months from the Exchange Bulletin
15%	12 months from the Exchange Bulletin
15%	18 months from the Exchange Bulletin
15%	26 months from the Exchange Bulletin
15%	30 months from the Exchange Bulletin
15%	36 months from the Exchange Bulletin

(b) 150,000 Seed Shares will be subject to the following table:

% of Shares Released	Release Dates
20%	at the time of the Final Receipt Date
20%	1 months from the Final Receipt Date
20%	2 months from the Final Receipt Date
20%	3 months from the Final Receipt Date
20%	4 months from the Final Receipt Date

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Issuer, the only persons as at the date hereof who, beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the Common Shares, are as follows:

Name	Type of Ownership	Number of Common Shares	Percentage of Class as at the date of this Prospectus	Percentage of Class After Giving Effect to the Completion of the Offering^{(1) (2)}
Dylan Sidoo	Direct	1,200,000	23.76%	10.21%
Jordan Sidoo	Direct	1,200,000	23.76%	10.21%
Siden Investments Ltd. ⁽³⁾	Direct	1,050,000	20.79%	8.94%
Manjy Sidoo	Direct	750,000	14.85%	6.38%

(1) This assumes a total of 11,750,000 Common Shares are outstanding upon completion of the Offering (including 200,000 Common Shares issuable no later than 5 days after the date of the Exchange Bulletin pursuant to the Option Agreement) and that the principal shareholder does not acquire any securities pursuant to the Offering. This also excludes any Common Shares which may be issued upon the exercise of the Options.

(2) On a fully diluted basis, including Common Shares which may be issued upon the exercise of the Options, the figures will be 13.19%, 13.19%, 10.64% and 6.38%, respectively.

(3) Siden Investments Ltd. is a private investment company that is controlled by David Sidoo.

DIRECTORS, OFFICERS AND PROMOTERS

The following table describes the names and the municipalities of residence of the directors, executive officers and the management of the Issuer, their positions and offices with the Issuer and their principal occupations during the past five years. The following information relating to the directors and officers is based on information received by the Issuer from said persons.

Name and Municipality of Residence	Position and Term with the Issuer	Principal Occupation and Occupation During the Past Five Years
Dylan Sidoo British Columbia, Canada	Chief Executive Office, Director and President since August 2017	Director of Seaway Energy Services Inc. since December 2016; and Director of East West Petroleum Corp. since December 2016.
Jordan Sidoo British Columbia, Canada	Former Chief Financial Officer from August 2017 to December 2017, and Director since August 2017	Intern in Business Operations Department of the San Francisco 49ERS since August 2016; Summer Intern at Haywood Securities Inc. from June 2015 to August 2015; and Summer Intern at University of British Columbia Athletic Department from June 2015 to August 2015.
David Sidoo ⁽¹⁾ British Columbia, Canada	Director since August 2017 and Corporate Secretary since September 2017	President and Chief Executive Officer, since October 2013, and Director, since July 19, 2010, of East West Petroleum Corp.; Self-employed consultant since June, 2000; President, since August 2016, and director, since April 2015, of Advantage Lithium Corp; and member of the Board of Governors for the University of British Columbia since 2014.
Nick DeMare British Columbia, Canada	Chief Financial Officer since December 2017 and Director since July 2017	Director of East West Petroleum Corp. since December 2009; and President and Principal of Chase Management Ltd since 1991.
Doug Leishman ⁽¹⁾ British Columbia, Canada	Director since August 2017	Chairman of Advisory Board of Advantage Lithium Corp. since June 20, 2016; and Member of Technical Advisory Board at Eureka Resources Inc. from June 24, 2015 to May 27, 2017.
Peter Espig ⁽¹⁾ British Columbia, Canada	Director since December 2017	President and Chief Executive Officer of Nicola Mining Inc. since November 2013; Interim President and Interim Chief Executive Officer of Nicola Mining Inc. from June 2013 to November 2013; Founder of TriAsia Capital since August 2006; Director of Phosplatin Therapeutics since November 2010; and Chief Executive Officer of NXGold Ltd. from December 2011 to December 2014;

(1) Member of Audit Committee.

Each of the directors of the Issuer will hold office until the next annual general meeting of the shareholders of the Issuer pursuant to the *Business Corporations Act*, or unless his office is earlier vacated in accordance with the Articles of the Issuer, or with the provisions of the *Business Corporations Act*.

As at the date hereof, the directors and officers of the Issuer currently own, directly or indirectly, or exercise control or direction over, 4,075,000 Common Shares, or 80.69% of the issued and outstanding Common Shares. After the completion of the Offering and after issuance of the 200,000 Common Shares pursuant to the exercise of the Option Agreement, and prior to the exercise of any other outstanding rights to acquire Common Shares (including the Options), the directors and officers of the Issuer will own approximately 34% of the issued and outstanding Common Shares if the Offering is achieved.

Management and Key Personnel

Dylan Sidoo (Age 23) - Chief Executive Officer, President and Director

Mr. Dylan Sidoo is the Chief Executive Officer, President and a Director of the Issuer. Mr. Sidoo has served as Chief Executive Officer, President and a Director of the Issuer since August 1, 2017. Mr. Sidoo is a consultant to the Issuer and provides his services on a part-time basis.

Mr. Sidoo is a graduate of the University of Southern California (School of Cinematic Arts) December 2016. While at USC he founded Stryker Entertainment, LLC, a film acquisitions and distribution company, where he successfully outputted several films with Shout! Factory and Netflix. Previously he held an internship at Haywood Securities as a summer analyst. Dylan has also worked with Thunderbird Films and assisted in the legal affairs department. Most recently, he interned with the most connected entertainment and sports agency in the world; William Morris Endeavour. With strong entertainment connections in Los Angeles, this past summer Dylan worked at Lionsgate Entertainment in Santa Monica, CA.

Mr. Sidoo has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. Sidoo will devote approximately 20% of his time to the affairs of the Issuer.

Nick DeMare, CPA, CA (Age 62) – Chief Financial Officer and Director

Mr. DeMare is a Director and Chief Financial Officer of the Issuer and provides his services to the Issuer on a part-time basis. He has served as a Director and Chief Financial Officer of the Issuer since August 1, 2017 and December 13, 2017, respectively. Mr. DeMare is a consultant to the Issuer and provides his services on a part-time basis.

Mr. DeMare is the President and principal of Chase Management Ltd., a private company providing a broad range of administrative, management and financial services to private and public companies involved in mineral exploration and development, gold and silver production, oil and gas exploration and production and venture capital. For over 25 years, Mr. DeMare has assisted numerous companies in making the transition from the private to public stage and arranging and participating in equity and debt financing. Prior thereto, he was employed as a General Practice Manager with PWC, Chartered Professional Accountants (formerly Coopers & Lybrand, Chartered Accountants). He is currently a director and/or officer of a number of public companies listed on the Toronto Stock Exchange and the Exchange. He holds a Bachelor of Commerce degree from the University of British Columbia and is a member in good standing with the Chartered Professional Accountants of British Columbia.

Mr. DeMare has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. DeMare will devote approximately from 5% of his time to the affairs of the Issuer.

Directors

David Sidoo (Age 58) – Corporate Secretary and Director

Mr. Sidoo is a Director and Corporate Secretary of the Issuer and provides his services to the Issuer on a part-time basis. He has served as a Director and the Corporate Secretary of the Issuer since August 1, 2017 and September 15, 2017, respectively. Mr. Sidoo is a consultant to the Issuer and provides his services on a part-time basis.

Mr. Sidoo is a successful businessman based in Vancouver where he oversees a successful private investment banking and financial management firm. Mr. Sidoo is a current Board member, President, CEO of Advantage Lithium Corp. and East West Petroleum Corp., a company he founded in 2010. Upon graduating from the University of British Columbia in 1982, where he held a four-year football scholarship with the UBC Thunderbirds, Mr. Sidoo was drafted to play professional football with the Canadian Football League. Mr. Sidoo retired from football in 1988 and was introduced to the brokerage business with Yorkton Securities where he quickly became one of the company's top revenue generators before leaving in 1999. He was founding shareholder of American Oil & Gas Inc. (NYSE -AEZ) which was sold to Hess Corporation in December 2010 in an all-stock transaction. In 2014, Mr. Sidoo was appointed by the British Columbia Government to the Board of Governors for the University of British Columbia.

Mr. Sidoo has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. Sidoo will devote approximately 10% of his time to the affairs of the Issuer.

Jordan Sidoo (Age 21) - Director

Jordan Sidoo is a Director of the Issuer and provides his services to the Issuer on a part-time basis. He has served as a Director of the Issuer since August 1, 2017. Mr. Sidoo also served as the former Chief Financial Officer of the Issuer from August 1, 2017 to December 13, 2017. Mr. Sidoo is a consultant to the Issuer and provides his services on a part-time basis.

Jordan is entering his junior year at the University of California Berkeley majoring in History & Political Economy. As an incoming freshman, he was a finalist for the CAL Berkeley Leadership Award. He coxed the National Champions Men's Varsity Crew Team at Berkeley; Berkeley competes in the PAC12 and nationally against powerhouse rowing programs such as University of Washington, Yale and Harvard. Jordan has extensive experience in marketing and sponsorship initiatives. In his freshman year, he worked in business development and marketing with UBC Thunderbird Athletics and the Vancouver Canucks NHL Hockey Team. In his sophomore year, he interned at Haywood Securities Inc. as a technical analyst and research assistant. Jordan is currently interning with the NFL San Francisco 49ers. Jordan is involved in Disappear.com's strategic marketing initiatives, focused on building and engaging Vanish Messenger's user base.

Mr. Sidoo has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. Sidoo will devote approximately 5% of his time to the affairs of the Issuer.

Doug Leishman (Age 69) – Director

Mr. Leishman is a Director of the Issuer and provides his services to the Issuer on a part-time basis. He has served as a Director of the Issuer since August 1, 2017. Mr. Leishman is a consultant to the Issuer and provides his services on a part-time basis.

Mr. Leishman is a Graduate of the Northern Alberta Institute of Technology in Exploration Technology in 1971 and the University of London, Imperial College, where he attended the Royal School of Mines and completed a degree in Mining Geology in 1981. Early in his career, Doug served in positions of responsibility at Canadian Superior Exploration, Esso Minerals Canada, Esso Erz (Germany), Prospection Ltd. (Oman) and Camchib Resources. He worked as an independent contractor and a consulting geologist based in Kamloops, B.C. from 1984 to 1990. Mr. Leishman was Senior Mining Analyst of Yorkton Securities Inc. from 1990 to 2000, covering junior exploration companies primarily focused on exploration in the Americas; after Yorkton from 2001 to 2005 he was the Director of Geology and Exploration for Endeavour Financial Ltd., a financial advisory firm focused on the mineral industry. He served as a Director of Southern Arc Minerals Inc. from June 2005 to July 2008, and Fortress Minerals Corp. from June 2004 to February 2006, and a Director of Terrane Metals Corp., from July 2006 to October 2010. He has been Chairman of Advisory Board of North South Petroleum Corp. since June 20, 2016. He served as a Member of Technical Advisory Board at Eureka Resources Inc. since June 24, 2015 until May 27, 2017. He has been a Registered Member of the Association of Professional Engineers and Geoscientists of British Columbia since 1994, and a Fellow of the Geological Association of Canada since 1990.

Mr. Leishman has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. Leishman will devote approximately 10% of his time to the affairs of the Issuer.

Peter Espig (Age 52) – Director

Mr. Espig is a Director of the Issuer and provides his services to the Issuer on a part-time basis. He has served as a Director of the Issuer since December 13, 2017. Mr. Espig is a consultant to the Issuer and provides his services on a part-time basis.

Mr. Espig has been the President and CEO of Nicola Mining since November 7, 2013 and was the Interim President and Interim CEO of Nicola Mining from June 9, 2013 to November 7, 2013. In August 2006, Mr. Espig founded

TriAsia Capital, a private equity and consulting firm focused on raising capital for mid-sized companies, and pre-initial public offering investment and consulting. Mr. Espig has been a founding director of Phosplatin Therapeutics, a private biopharmaceutical company, since November 2010. He also served as Vice-President of the Principal Finance and Securitization Group and Asia Special Situations Group for Goldman Sachs Japan. Prior to joining Goldman Sachs, Mr. Espig served as Vice-President of Olympus Capital, a private equity firm in New York. Mr. Espig is Chairman of the Vancouver Center of Arts and Technology. He holds a Bachelors of Arts from the University of British Columbia and a Masters of Business from Columbia Business School.

Mr. Espig has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. Espig will devote approximately 5% of his time to the affairs of the Issuer.

Reporting Issuer Experience of the Directors, Officers and Promoters of Issuer

The following table sets out the directors, officers and promoters of the Issuer that are, or have been within the last five years, directors, officers, promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Exchange or Market	Position	From (mm/yy)	To (mm/yy)
David Sidoo	Advantage Lithium Corp.	TSXV	Director, President and CEO	04/15 08/16 09/16	Present
	East West Petroleum Corp.	TSXV	Director, President and CEO	07/10	Present
	Seaway Energy Services Inc.	TSXV	Director, President and CEO	10/16	Present
	AVA Resources Corp.	NEX	President, CEO, Director, CFO, Secretary	08/10	03/14
	Caymus Resources Inc.	TSXV	President, CEO, Director, CFO, Secretary	11/11	03/14
Nick DeMare	Advantage Lithium Corp.	TSXV	Secretary	05/15	Present
			CFO	08/16	Present
			Director	03/17	Present
	Aguila American Resources Ltd.	TSXV	Director	01/03	Present
			CFO & Secretary	10/04	Present
			Interim CEO	02/17	Present
Altair Resources Inc.	TSXV	Secretary	05/16	Present	
		Interim CFO	06/17	Present	
Argentina Lithium & Energy Corp.	TSXV	Director	11/16	Present	

Name	Name of Reporting Issuer	Exchange or Market	Position	From (mm/yy)	To (mm/yy)
	Astral Mining Corp.	TSXV	Director	02/04	02/13
	Astur Gold Corp.	TSXV	CFO	04/10	08/16
	Ava Resources Corp.	TSXV	Director	06/13	03/14
	Batero Gold Corp.	TSXV	Director	07/10	01/13
	Canex Energy Corp.	TSXV	CFO	01/17	05/17
			Director	07/16	05/17
	Caymus Resources Inc.	TSXV	Director	08/13	03/14
			CFO & Secretary	09/13	01/14
	Cliffmont Resources Ltd.	TSXV	Director	12/06	01/16
			CFO	08/09	05/10
	Darwin Resources Corp.	TSXV	Director & CFO	08/11	07/14
	East West Petroleum Corp.	TSXV	Director & CFO	12/09	Present
	GGL Diamond Corp.	TSXV	Director	05/89	Present
			CFO	05/04	Present
	Global Daily Fantasy Sports Inc.	TSXV	Director	04/03	Present
	Halo Resources Ltd.	TSXV	Director	01/96	07/13
			CFO	02/05	07/13
	Hannan Resources Ltd.	TSXV	President & CEO	07/13	Present
			Director	10/02	Present
	Hansa Resources Limited	TSXV	Director	08/08	Present
			CFO & Secretary	03/09	Present
	Kingsmen Resources Limited	TSXV	Director	01/01	Present
			CFO	06/11	Present
	Leading Edge Materials Corp.	TSXV	Director	10/10	Present
			CFO	02/12	Present
	Mawson Resources Corp.	TSX	Director	03/04	Present
			CFO	12/07	Present

Name	Name of Reporting Issuer	Exchange or Market	Position	From (mm/yy)	To (mm/yy)
	Mirasol Resources Ltd.	TSXV	Director	02/05	Present
	Rochester Resources Ltd.	TSXV	Director	06/07	Present
			Chairman	06/07	Present
	Rockshield Capital Corp.	TSXV	Director & CFO	06/10	Present
	Salazar Resources Limited	TSXV	Director	06/88	Present
			Secretary	03/07	Present
	Seaway Energy Services Inc.	TSXV	Director & CFO	10/16	Present
	Tasman Metals Ltd.	TSXV & NYSE-MKT	Director	10/09	08/16
			CFO	10/09	08/16
Tembo Gold Corp.	TSXV	Secretary	07/11	12/13	
			01/16	Present	
Tinka Resources Limited	TSXV	Director	10/02	Present	
		CFO	03/11	Present	
Dylan Sidoo	East West Petroleum Corp.	TSXV	Director	12/16	Present
	Seaway Energy Services Inc.	TSXV	Director	12/16	Present
Peter Espig	Starbulk Carriers Inc.	NASDAQ	Director	12/06	12/08
	NovaDx Ventures	TSXV	Director	10/10	10/12
	Nicola Mining Inc.	TSXV	Director & CEO	06/13	Present
	NXGold Ltd.	TSXV	Director & CEO	12/11	12/14
	Canada One Mining Corp.	TSXV	Director	08/12	08/13
	Seaway Energy Services Inc.	TSXV	Director	10/16	Present

Corporate Cease Trade Orders Or Bankruptcies

Except as set out below, no director or executive officer of the Issuer is, as at the date of this Prospectus, or was within 10 years before the date of this Prospectus, a director, chief executive officer or chief financial officer of any company (including the Issuer), that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of 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
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of 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.

Nick DeMare is a former independent director of Andean American Gold Corp. (“Andean American”). On August 2, 2007, Andean American was issued a cease trade order by the British Columbia Securities Commission (“BCSC”) for deficiencies in Andean American’s continuous disclosure material related to its resource properties and for deficiencies in a previously filed National Instrument 43-101 – Standards of Disclosure to Mineral Projects (“NI 43-101”) technical report. On October 22, 2007, Andean American filed an amended NI 43-101 technical report and issued a clarifying news release. The cease trade order was lifted and the shares resumed trading on October 24, 2007.

Nick DeMare is a director of Salazar Resources Limited (“Salazar”). On September 10, 2010, Salazar was issued a cease trade order by the BCSC for failing to file a technical report on its Curipamba project in Ecuador supporting its disclosure concerning mineral resource estimates on a news release dated February 25, 2009. Salazar filed a new technical report and the cease trade order was revoked by the BCSC on October 14, 2010 and its shares resumed trading on October 18, 2010.

No director or executive officer of the Issuer, and no shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer:

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

Penalties or Sanctions

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

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

Conflicts Of Interest

There are potential conflicts of interest to which the directors and officers of the Issuer will be subject in connection with the operations of the Issuer. In particular, certain of the directors and officers of the Issuer are involved in managerial and/or director positions with other companies whose operations may, from time to time, be in direct competition with those of the Issuer. Conflicts, if any, will be subject to the procedures and remedies available under the *Business Corporations Act*. The *Business Corporations Act* provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the *Business Corporations Act*. See “*Risk Factors – Conflicts of Interest*” for further details.

EXECUTIVE COMPENSATION

Compensation Discussion & Analysis

The Issuer was not a reporting issuer at any time during the most recently completed financial period. It is expected that in the future the directors and officers of the Issuer, including the Named Executive Officers (as defined below), will be granted, from time to time, incentive stock options in accordance with the Issuer’s Stock Option Plan. See

“*Options and Other Rights to Purchase Securities of the Issuer – Stock Option Plan*” for a summary of the terms of the Issuer’s Stock Option Plan. Given the Issuer’s size and its stage of development, the Issuer has not appointed a compensation committee or formalized any guidelines with respect to compensation at this time. It is anticipated that once the Issuer becomes a reporting issuer, the Board will consider appointing such a committee and adopting such guidelines. The Issuer currently relies solely on Board discussion without any formal objectives, criteria and analysis to determine the amount of compensation payable to directors and all officers of the Issuer.

Philosophy

Compensation paid to the Named Executive Officers is based on the size and stage of development of the Issuer and reflects the need to provide incentive and compensation for the time and effort expended by the Named Executive Officers, while taking into account the financial and other resources of the Issuer, as well as increasing shareholder value.

The Issuer is a private junior mineral exploration company without revenue and therefore certain compensation factors were considered and not included within the compensation structure and philosophy. Some of the factors not considered were target share ownership guidelines, pension plans, specific target weightings, and percentage of compensation at risk.

The Issuer’s executive compensation currently consists of long-term incentives in the form of participation in the Issuer’s Stock Option Plan. Once the Issuer becomes a reporting issuer, it is expected that the Board will review the compensation of Named Executive Officers and make adjustments, if appropriate, to ensure that the compensation of the Named Executive Officers is commensurate with the services they provide.

Base Salary

It is expected that once the Issuer becomes a reporting issuer, base salary will be the principal component of executive compensation and the base salary for each executive officer will be based on the position held, the related responsibilities and functions performed by the executive and salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels for executives.

Option-based Awards

The Issuer believes that encouraging its officers and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Issuer’s Stock Option Plan. Options will be granted to management and employees taking into account a number of factors, including, base salary and bonuses and competitive factors.

The stock option component of compensation provided by the Issuer is intended to advance the interests of the Issuer by encouraging the directors, officers, employees and consultants of the Issuer to acquire shares, thereby increasing their proprietary interest in the Issuer, encouraging them to remain associated with the Issuer and furnishing them with additional incentive in their efforts on behalf of the Issuer in the conduct of its affairs. Grants under the Issuer’s Stock Option Plan are intended to provide long term awards linked directly to the market value performance of the Issuer’s shares. The Board will review management’s recommendations for the granting of stock options to management, directors, officers and other employees and consultants of the Issuer and its subsidiaries. Stock options are granted according to the specific level of responsibility of the particular executive. The number of outstanding Options is also considered by the Board when determining the number of Options to be granted in any particular year due to the limited number of Options which are available for grant under the Issuer’s Stock Option Plan.

Compensation Risk Assessment and Mitigation

The Board has considered the implications of the risks associated with the Issuer’s compensation policies and practices. The Board is responsible for setting and overseeing the Issuer’s compensation policies and practices. The Board does not provide specific monitoring and oversight of compensation policies and practices, but does review, consider and adjust these matters annually. The Issuer does not use any specific practices to identify and mitigate compensation policies that could encourage a Named Executive Officer or individual at a principal business unit or division to take inappropriate or excessive risks. These matters are dealt with on a case-by-case basis. The Issuer currently believes that none of its policies encourage its Named Executive Officers to take such risks. The Issuer has

not identified any risks arising from its compensation policies and practices that are reasonably likely to have a material adverse effect on the Issuer.

There are no restrictions on Named Executive Officers or directors regarding the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officers or directors. For the period ended August 31, 2017, no Named Executive Officer or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

Named Executive Officers

In this section, “Named Executive Officer” means (a) the Issuer’s chief executive officer (the “CEO”), including an individual performing functions similar to a CEO, (b) the Issuer’s chief financial officer (the “CFO”), including an individual performing functions similar to a CFO, (c) the most highly compensated executive officer of the Issuer, and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and (d) each individual who would be a Named Executive Officer under (c) but for the fact that the individual was not an executive officer of the Issuer and was not acting in a similar capacity, at the end of that financial year.

During the Issuer’s fiscal period ended August 31, 2017, the following individuals were the Named Executive Officers of the Issuer:

- Dylan Sidoo, CEO and President
- Jordan Sidoo, CFO

Director and Named Executive Officer Compensation, Excluding Compensation Securities

Table of Compensation Excluding Compensation Securities

The following table provides a summary of compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Issuer to each Named Executive Officer and director of the Issuer during the fiscal years ended August 31, 2017:

Name and Position	Salary, Consulting Fee, Retainer or Commission⁽¹⁾ (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Dylan Sidoo CEO, President and Director	Nil	Nil	Nil	Nil	Nil	Nil
Jordan Sidoo CFO and Director	Nil	Nil	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil	Nil	Nil

- (1) Effective as of the Closing, the Issuer will pay (i) Dylan Sidoo a monthly salary of \$1,750 for his services as President and CEO, and (ii) the Issuer will pay Nick DeMare, through Chase Management Ltd., a private company owned by Mr. DeMare, a monthly salary of \$1,000 for his services as CFO.

Stock Options and Other Compensation Securities

Table of Compensation Securities

The following table discloses all compensation securities granted or issued to each director and Named Executive Officer by the Issuer or one of its subsidiaries during the fiscal period ended August 31, 2017 for services provided or to be provided, directly or indirectly, to the Issuer or any of its subsidiaries:

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class ⁽¹⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$)	Expiry Date
Dylan Sidoo CEO, President and Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Jordan Sidoo CFO and Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A

- (1) On September 15, 2017, the Issuer granted 350,000 Options to each of Dylan Sidoo and Jordan Sidoo. See “Options and Other Rights to Purchase Securities of the Issuer”.

Exercises of Compensation Securities by Named Executive Officers and Directors

No compensation securities were exercised by the directors and Named Executive Officers of the Issuer during the financial period ended August 31, 2017.

Recent Significant Changes to the Issuer’s Compensation Policies

There have been no significant changes to the Issuer’s compensation policies during the financial period ended August 31, 2017 that could or will have an effect on director or Named Executive Officer compensation.

Employment, Consulting and Management Agreements

Except as disclosed herein, the Issuer is not party to any employment, consulting or management agreement with a Named Executive Officer or a person performing services of a similar capacity.

The Issuer has an unwritten agreement with Chase Management Ltd., a private company owned by Mr. DeMare, a director of the Company, to provide accounting and financial reporting services, as required, by the Company. Chase Management Ltd. will bill the Company at standard hourly rates for the services provided by the staff of Chase Management Ltd. (excluding Mr. DeMare).

There are no arrangements for compensation with respect to the termination of Named Executive Officers, included in the event of a change of control.

Pension Plan Benefits

The Issuer does not provide retirement benefits for directors or executive officers.

Compensation of Directors

Two of the directors of the Issuer are also Named Executive Officers. See “Executive Compensation – Named Executive Officers”.

Director Compensation Table

The following table provides a summary of compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Issuer to each director of the Issuer who is not a Named Executive Officer of the Issuer during the fiscal period ended August 31, 2017:

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total Compensation (\$)
David Sidoo	Nil	Nil	Nil	Nil	Nil	Nil
Nick DeMare	Nil	Nil	Nil	Nil	Nil	Nil
Doug Leishman	Nil	Nil	Nil	Nil	Nil	Nil
Peter Espig	Nil	Nil	Nil	Nil	Nil	Nil

(1) On September 15, 2017, the Issuer granted 200,000 Options to David Sidoo, 60,000 Options to Chase Management Ltd, a private company controlled by Nick DeMare, and 90,000 Options to Nick DeMare. See “Options and Other Rights to Purchase Securities of the Issuer”.

Except as otherwise disclosed herein, there were no standard arrangements, or other arrangements in addition to or in lieu of standard arrangements, under which the directors were compensated by the Issuer for services in their capacity as a director (including any additional amounts payable for committee participation or special assignments), during the most recently completed financial period ended August 31, 2017. No directors’ fees are expected to be paid by the Issuer.

All directors are also entitled to be reimbursed for reasonable expenses incurred on behalf of the Issuer.

There are no arrangements for compensation with respect to the termination of directors in the event of a change or control of the Issuer.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Corporate Governance

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

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Issuer. A material relationship is a relationship which could, in the view of the Issuer’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The independent members of the Board of the Issuer at present are Peter Espig and Doug Leishman.

The non-independent members of the Board of the Issuer at present are Dylan Sidoo, the President and Chief Executive Officer, Nick Demare, the Chief Financial Officer, and David Sidoo, the Corporate Secretary and Jordan Sidoo.

The Board facilitates its independent supervision over management by having regular Board meetings and by establishing and implementing prudent corporate governance policies and procedures.

Directorships

Certain directors are presently directors of one or more other reporting issuers. See “*Directors, Officers and Promoters – Reporting Issuer Experience of the Directors, Officers and Promoters of the Issuer*” above for further details.

Orientation and Continuing Education

The Board does not have a formal policy relating to the orientation of new directors and continuing education for directors. The appointment of a new director is a relatively infrequent event in the Issuer's affairs, and each situation is addressed on its merits on a case-by-case basis. The Issuer has a relatively restricted scope of operations, and most candidates for Board positions will likely have past experience in the mining industry; they will likely be familiar with the operations of a resource exploration company of the size and complexity of the Issuer. The Board, with the assistance of counsel, keeps itself apprised of changes in the duties and responsibilities of directors and deals with material changes of those duties and responsibilities as and when the circumstances warrant. The Board will implement an informal orientation program for new directors that suits their relative experiences. The Board will evaluate these positions, and if changes appear to be justified, formal policies will be developed and followed.

Board meetings are generally held at the Issuer's offices and, from time to time, are combined with presentations by the Issuer's management to give the directors additional insight into the Issuer's business. In addition, management of the Issuer makes itself available for discussion with the Board members.

Assessments

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

Ethical Business Conduct

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

Nomination of Directors

The Board will consider 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 duties effectively and to maintain a diversity of views 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 Issuer, this policy will be reviewed.

Compensation

Management of the Issuer will conduct an annual review of the compensation of the Issuer's directors and executive officers and make recommendations to the Board. The Board determines compensation for the directors and executive officers.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Audit Committee

The Audit Committee's Charter

A. Purpose

The overall purpose of the Audit Committee is to ensure that the Issuer's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Issuer and to review the Issuer's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. In performing its duties, the Audit Committee will maintain effective working relationships with the Board,

management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each member of the Audit Committee will obtain an understanding of the responsibilities of the Audit Committee membership as well as the Issuer's business, its operations and related risks.

B. Composition, Procedure, and Organization

1. The Audit Committee shall consist of at least three members of the Board, the majority of whom are independent as defined in NI 52-110 *Audit Committees* ("NI 52-110") or any successor policy.
2. All members of the Audit Committee shall be financially literate as defined in NI 52-110 or any successor policy.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Audit Committee for the ensuing year. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Audit Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Audit Committee shall have access to such officers and employees of the Issuer and to the Issuer's external auditors, and to such information respecting the Issuer, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Audit Committee shall be conducted as follows:
 - (a) the Audit Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Audit Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
8. The external auditors shall have a direct line of communication to the Audit Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Issuer as it deems necessary, and any employee may bring before the Audit Committee any matter involving questionable, illegal or improper financial practices or transactions.

C. Roles and Responsibilities

1. The overall duties and responsibilities of the Audit Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Issuer's accounting principles, reporting practices and internal controls and its approval of the Issuer's annual and interim consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Issuer's external auditors and assess their performance;
 - (c) to ensure that the management of the Issuer has designed, implemented and is maintaining an effective system of internal financial controls; and

- (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Audit Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Issuer, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Issuer's financial and auditing personnel;
 - (iv) co-operation received from the Issuer's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Issuer;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Issuer's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Audit Committee meets the external auditors on a regular basis in the absence of management.
3. The duties and responsibilities of the Audit Committee as they relate to the internal control procedures of the Issuer are to:
- (a) review the appropriateness and effectiveness of the Issuer's policies and business practices which impact on the financial integrity of the Issuer, including those relating to insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Issuer's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Audit Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Issuer; and
 - (d) periodically review the Issuer's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.
4. The Audit Committee is also charged with the responsibility to:

- (a) Review and approve the Issuer’s annual and interim financial statements and related Management’s Discussion & Analysis (“MD&A”), including the impact of unusual items and changes in accounting principles and estimates;
- (b) review and approve the financial sections of any of the following disclosed documents prepared by the Issuer:
 - (i) the annual report to shareholders;
 - (ii) the annual information form;
 - (iii) annual MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Issuer; and
 - (vi) other public reports of a financial nature requiring approval by the Board,
 and report to the Board with respect thereto;
- (c) review regulatory filings and decisions as they relate to the Issuer’s consolidated financial statements;
- (d) review the appropriateness of the policies and procedures used in the preparation of the Issuer’s consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Issuer’s consolidated financial statements;
- (f) review the minutes of any audit committee meeting of subsidiary companies;
- (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Issuer and the manner in which such matters have been disclosed in the consolidated financial statements;
- (h) review the Issuer’s compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (i) develop a calendar of activities to be undertaken by the Audit Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

Composition of the Audit Committee

The Issuer’s Audit Committee is composed of the following:

David Sidoo	Not Independent ⁽¹⁾	Financially literate ⁽²⁾
Peter Espig (Chair)	Independent ⁽¹⁾	Financially literate ⁽²⁾
Doug Leishman	Independent ⁽¹⁾	Financially literate ⁽²⁾

⁽¹⁾ A member of an audit committee is independent if, in addition to meeting other regulatory requirements, the member has no direct or indirect material relationship with the Issuer, which could, in the view of the board of directors, reasonably interfere with the exercise of a member’s independent judgment pursuant to NI 52-110.

⁽²⁾ An individual is financially literate if they have the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer’s financial statements.

As required by Policy 3.1 of the Exchange, the Audit Committee is comprised of at least three directors, the majority of whom are independent members.

Relevant Education and Experience

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

David Sidoo – Mr. Sidoo is a successful businessman based in Vancouver where he oversees a successful private investment banking and financial management firm. Mr. Sidoo is a current Board member, President, CEO of Advantage Lithium Corp. and East West Petroleum Corp., a company he founded in 2010. After graduating from the University of British Columbia, Mr. Sidoo was introduced to the brokerage business with Yorkton Securities where he quickly became one of the company's top revenue generators before leaving in 1999. He was founding shareholder of American Oil & Gas Inc. (NYSE -AEZ) which was sold to Hess Corporation in December 2010 in an all-stock transaction.

Peter Espig – Mr. Espig has been the President and CEO of Nicola Mining since November 7, 2013 and was the Interim President and Interim CEO of Nicola Mining from June 9, 2013 to November 7, 2013. In August 2006, Mr. Espig founded TriAsia Capital, a private equity and consulting firm focused on raising capital for mid-sized companies, and pre-initial public offering investment and consulting. Mr. Espig has been a founding director of Phosplatin Therapeutics, a private biopharmaceutical company, since November 2010. He also served as Vice-President of the Principal Finance and Securitization Group and Asia Special Situations Group for Goldman Sachs Japan. Prior to joining Goldman Sachs, Mr. Espig served as Vice-President of Olympus Capital, a private equity firm in New York.

Doug Leishman – Early in his career, Mr. Leishman served in positions of responsibility at Canadian Superior Exploration, Esso Minerals Canada, Esso Erz (Germany), Prospection Ltd. (Oman) and Camchib Resources. He worked as an independent contractor and a consulting geologist based in Kamloops, B.C. from 1984 to 1990. Mr. Leishman was Senior Mining Analyst of Yorkton Securities Inc. from 1990 to 2000, covering junior exploration companies primarily focused on exploration in the Americas; after Yorkton from 2001 to 2005 he was the Director of Geology and Exploration for Endeavour Financial Ltd., a financial advisory firm focused on the mineral industry. He served as a Director of Southern Arc Minerals Inc. from January 2005 to July 2008, and Fortress Minerals Corp. from June 2004 to February 2006, and a Director of Terrane Metals Corp., from July 2006 to October 2010.

Audit Committee Oversight

At no time since the commencement of the Issuer's most recently completed financial period, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

The Issuer is relying on the exemption in section 6.1 of NI 52-110, which exempts venture issuers, as defined in NI 52-110, from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

Set forth below are details of certain service fees paid to the Issuer's external auditor in each of the last two fiscal years for audit services:

Nature of Services	Fees Billed by the Auditor During the Financial period ended August 31, 2017
Audit Fees ⁽¹⁾	Nil
Audit-Related Fees ⁽²⁾	Nil
Tax Fees ⁽³⁾	Nil
All Other Fees ⁽⁴⁾	Nil
Total	Nil

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

DIVIDEND RECORD AND POLICY

There is no restriction that would prevent the Issuer from paying dividends on the Common Shares. However, the Issuer has not paid any dividends on its Common Shares and it is not contemplated that the Issuer will pay any dividends on its Common Shares in the immediate or foreseeable future.

RISK FACTORS

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

Insufficient Capital

The Issuer does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Issuer will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Issuer will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Issuer's interest in the Property. The Issuer's unallocated working capital will not suffice to fund the recommended Stage 2 work program on the Property and there is no assurance that the Issuer can successfully obtain additional financing to fund such Stage 2 work program.

Limited Operating History

The Issuer has no history of earnings. There are no known commercial quantities of mineral reserves on the Issuer's property. The Issuer is in the process of carrying out exploration and development with the objective of establishing economic quantities of mineral reserves. There can be no assurance that the Issuer will achieve profitability in the future.

Exploration and Development Risks

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Issuer may be affected by numerous factors that are beyond the control of the Issuer and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, the combination of which factors may result in the Issuer not receiving an adequate return of investment capital. All of the claims to which the Issuer has a right to acquire an interest are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results are obtained.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Issuer's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Issuer's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Lack of Availability of Resources

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Issuer on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Issuer's exploration programs.

Resale of Shares

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

Requirement for Additional Financing

The further development and exploration of the Issuer's projects depends upon the Issuer's ability to obtain financing through equity financing, joint ventures, debt financing, or other means. There is no assurance that the Issuer will be successful in obtaining required financing as and when needed. Volatile markets for precious and base metals may make it difficult or impossible for the Issuer to obtain equity financing or debt financing on favourable terms or at all. Failure to obtain additional financing on a timely basis may cause the Issuer to postpone its exploration and development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its operations.

Negative Operating Cash Flow

The Issuer has negative operating cash flow and has incurred losses since its founding. The losses and negative operating cash flow are expected to continue for the foreseeable future as funds are expended on the exploration

program on the Property and on administrative costs. The Issuer cannot predict when it will reach positive operating cash flow.

Uninsurable Risks

The Issuer's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Issuer's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Issuer intends to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance may not cover all the potential risks associated with a mining company's operations. The Issuer may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Issuer or to other companies in the mining industry on acceptable terms. The Issuer might also become subject to liability for pollution or other hazards which may not be insured against or which the Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental Regulations, Permits and Licenses

The Issuer's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Issuer intends to comply fully with all environmental regulations. The current or future operations of the Issuer, including development activities and commencement of production on its properties, require permits from various federal, provincial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require the Issuer to obtain permits from various governmental agencies. There can be no assurance, however, that all permits that the Issuer may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Issuer might undertake.

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

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

To the best of the Issuer's knowledge, it is operating in compliance with all applicable environmental rules and regulations.

Mineral Exploration and Mining Carry Inherent Risks

Mineral exploration and mining operations are subject to hazards normally encountered in exploration, development and production. These include unexpected geological formations, rock falls, flooding dam wall failure and other incidents or conditions which could result in damage to plant or equipment or the environment and which could impact exploration and production throughput. Although the Issuer intends to take adequate precautions to minimize risk, there is a possibility of a material adverse impact on the Issuer's operations and its financial results.

Title Risks

Although the Issuer has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Issuer's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. Surveys have not been carried out on any of the Issuer's mineral properties in accordance with the laws of the jurisdiction in which such properties are situated; therefore, their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Issuer can give no assurance as to the validity of title of the Issuer to those lands or the size of such mineral lands.

Aboriginal Land Claims

Many lands in Québec elsewhere are or could become subject to aboriginal land claim to title, which could adversely affect the Issuer's title to its properties. The Issuer is required to obtain consent of the aboriginal title holders which may adversely affect the Issuer's activities. There can be no assurance that satisfactory agreements can be reached.

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

Competition

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

Management

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

Metal Prices are Volatile

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Issuer's properties can be mined at a profit. Factors beyond the control of the Issuer may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand,

currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of, and demand for, the Issuer's principal products and exploration targets, gold, copper and silver, is affected by various factors, including political events, economic conditions and production costs.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Issuer's operations, financial condition and results of operations.

Conflict of Interests

Certain of the directors and officers of the Issuer are directors or officers of, or have significant shareholdings in, other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate or may wish to participate, the directors of the Issuer may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such other companies may also compete with the Issuer for the acquisition of mineral property rights. In the event that any such conflict of interest arises, a director or officer who has such a conflict will disclose the conflict to a meeting of the directors of the Issuer and, if the conflict involves a director, the director will abstain from voting for or against the approval of such a participation or such terms. In appropriate cases, the Issuer will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the provisions of the *Business Corporations Act* the directors and officers of the Issuer are required to act honestly in good faith, with a view to the best interests of the Issuer. In determining whether or not the Issuer will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to the Issuer, the degree of risk to which the Issuer may be exposed and its financial position at that time.

The Issuer Currently Depends on a Single Property

The Issuer's only material mineral property is the Bonneville Gold Property. Unless the Issuer acquires or develops additional material properties or projects, the Issuer will be solely dependent upon the operation of the Bonneville Gold Property for its revenue and profits, if any. If the Issuer loses or abandons its interest in the Bonneville Gold Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Issuer, whether by way of option or otherwise, should the Issuer wish to acquire any additional properties.

Growth Will Require New Personnel

Recruiting and retaining qualified personnel is critical to the Issuer's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Issuer's business activity grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well as additional staff on the operations side. Although the Issuer believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

Dilution

Investors will experience dilution of the value of their investment due to the issue of lower priced securities at the private stage. There are also outstanding Options pursuant to which additional Common Shares may be issued in the future. Exercise of such Options may result in dilution to the Issuer's shareholders. In addition, if the Issuer raises additional funds through the sale of equity securities, shareholders may have their investment further diluted.

Operations Dependent on Revenues and Financings

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

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada and the United States 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 continued fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Issuer in creating revenues, cash flows or earnings.

Absence of Public Trading Market

Currently, there is no public market for the Common Shares, and there can be no assurance that an active market for the Common Shares will develop or be sustained after this Offering.

Dividend Record and Policy

The Issuer has not paid any dividends since incorporation and does not anticipate declaring any dividends on the Common Shares in the foreseeable future. The directors of the Issuer will determine if and when dividends should be declared and paid in the future based on the Issuer's financial position at the relevant time.

PROMOTERS

David Sidoo may be considered a promoter of the Issuer in that he took the initiative in founding and organizing the business of the Issuer. See "*Directors, Officers and Promoters*".

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed elsewhere in this Prospectus, no director, executive officer, principal shareholder or any known associate or affiliate of such persons, has any material interest, direct or indirect, in any transaction within the last three years or in any proposed transaction, that has materially affected or is reasonably expected to materially affect the Issuer.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS CONCERNING THE ISSUER

To the knowledge of Issuer's management, there is no material litigation outstanding, threatened or pending, as of the date hereof, by or against the Issuer which would be material to a purchaser of securities of the Issuer. To the knowledge of Issuer's management, there have been no penalties or sanctions imposed by a court or regulatory body against the Issuer, nor has the Issuer entered into any settlement agreement with a court or securities regulatory authority, as of the date hereof, which would be material to a purchaser of securities of the Issuer.

RELATIONSHIP BETWEEN THE ISSUER AND THE AGENT

The Issuer is not a "connected issuer" or "related issuer" of the Agent for the purposes of *National Instrument 33-105 - Underwriting Conflicts*.

INCOME TAXATION

Income tax consequences to investors are not viewed as a material aspect of the Offering of the Shares hereunder. Investors should consult their own tax advisors for advice with respect to the income tax consequences associated with their acquisition of Shares under this Prospectus.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Issuer is D&H Group LLP, Chartered Professional Accountants, of 1333 West Broadway, 10th Floor, Vancouver, BC, V6H 4C1.

The transfer agent and registrar for the Common Shares of the Issuer is Computershare Investor Services Inc. of 510 Burrard Street, Vancouver, BC, V6C 3B9.

EXPERTS AND INTEREST OF EXPERTS

Abby Peterson, B.Sc., P. GEO., prepared the Bonneville Gold Technical Report.

D&H Group LLP has prepared an auditor's report in connection with the Financial Statements included in this Prospectus. As of the date of the Prospectus, D&H Group LLP has informed the Issuer that it is independent of the Issuer within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia (CPABC).

Matters referred to under "Eligibility for Investment" will be passed upon by Axium Law Corporation on behalf of the Issuer.

Except as disclosed herein, none of Axium, Law Corporation, D&H Group LLP, Abby Peterson or any director, officer, employee, principal or partner thereof received or will receive a direct or indirect interest in the Property of the Issuer or of any associate or affiliate of the Issuer. In addition, except as disclosed herein, no other director, officer, partner or employee of any of the aforementioned companies and partnerships is currently expected to be elected, appointed or employed as a director, officer or employee of the Issuer or of any associates or affiliates of the Issuer.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts entered into by the Issuer since incorporation which can reasonably be regarded as material, are the following:

1. Option Agreement dated August 10, 2017, between the Issuer and the Vendor. See "*Narrative Description of the Business – Bonneville Gold Property*".
2. Agency Agreement dated December 20, 2017, between the Issuer and the Agent. See "*Plan of Distribution*".
3. Escrow Agreement dated December 20, 2017 among the Issuer, Computershare and certain shareholders of the Issuer. See "*Escrowed Securities*".
4. Stock Option Plan dated September 15, 2017. See "*Options and Other Rights to Purchase Securities of the Issuer*".

Copies of these agreements will be available for inspection at the offices of the Issuer's counsel, Axium Law Corporation, at Suite 910, 800 West Pender Street, Vancouver, British Columbia at any time during ordinary business hours during the course of distribution of the Shares, and for a period of 30 days thereafter.

OTHER MATERIAL FACTS

To management of the Issuer's knowledge, there are no further material facts or particulars in respect of the securities being distributed pursuant to this Prospectus that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

PURCHASERS' STATUTORY RIGHTS

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

MERIDIUS RESOURCES LIMITED

FINANCIAL STATEMENTS

**(from July 10, 2017 to financial period
ended August 31, 2017)**

MERIDIUS RESOURCES LIMITED

**FINANCIAL STATEMENTS
FOR THE PERIOD
JULY 10, 2017 (Date of Incorporation)
TO
AUGUST 31, 2017**

(Expressed in Canadian Dollars)



Independent Auditor's Report

To the Board of Directors of Meridius Resources Limited

We have audited the accompanying financial statements of Meridius Resources Limited, which comprise the statement of financial position as at August 31, 2017 and the statement of comprehensive loss, statement of changes in equity and statement of cash flows for the period from incorporation on July 10, 2017 to August 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Meridius Resources Limited as at August 31, 2017, and its financial performance and its cash flows for the period from incorporation on July 10, 2017 to August 31, 2017 in accordance with International Financial Reporting Standards.

Vancouver, B.C.
December 20, 2017

"D&H Group LLP"

Chartered Professional Accountants

MERIDIUS RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2017
(Expressed in Canadian Dollars)

	Notes	\$
ASSETS		
Current assets		
Cash		119,531
GST receivable		<u>250</u>
Total current assets		<u>119,781</u>
Non-current assets		
Exploration and evaluation assets	4	5,000
Deferred share issue costs	9	<u>13,000</u>
Total non-current assets		<u>18,000</u>
TOTAL ASSETS		<u>137,781</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities		<u>12,500</u>
TOTAL LIABILITIES		<u>12,500</u>
SHAREHOLDERS' EQUITY		
Share capital	5	252,500
Deficit		<u>(127,219)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>125,281</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>137,781</u>

Nature of Operations - see Note 1

Events after the Reporting Period - see Note 9

These financial statements were approved for issue by the Board of Directors on December 20, 2017 and are signed on its behalf by:

/s/ David Sidoo
David Sidoo
Director

/s/ Nick DeMare
Nick DeMare
Director

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

MERIDIUS RESOURCES LIMITED
STATEMENT OF COMPREHENSIVE LOSS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

	Note	\$
Expenses		
Bank charges		28
Office		191
Legal		4,500
Share-based compensation	5(b)	<u>122,500</u>
		<u>127,219</u>
Net loss and comprehensive loss for the period		<u>(127,219)</u>

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

MERIDIUS RESOURCES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

	<u>Share Capital</u>		Deficit \$	Total Equity \$
	Number of Shares	Amount \$		
Balance at July 10, 2017	-	-	-	-
Common shares issued for private placements	5,050,000	252,500	-	252,500
Net loss for the period	-	-	(127,219)	(127,219)
Balance at August 31, 2017	<u>5,050,000</u>	<u>252,500</u>	<u>(127,219)</u>	<u>125,281</u>

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

MERIDIUS RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

	\$
Operating activities	
Net loss for the period	(127,219)
Adjustment for:	
Share-based compensation	122,500
Changes in non-cash working capital items:	
GST receivable	(250)
Accounts payable and accrued liabilities	<u>4,500</u>
Net cash provided by operating activities	<u>(469)</u>
Investing activities	
Expenditures on exploration and evaluation assets	<u>(5,000)</u>
Net cash used in investing activities	<u>(5,000)</u>
Financing activities	
Issuance of common shares	130,000
Deferred share issue costs	<u>(5,000)</u>
Net cash provided by financing activities	<u>125,000</u>
Net change in cash during the period	119,531
Cash at beginning of period	<u>-</u>
Cash at end of period	<u>119,531</u>

The Company incurred \$8,000 in share issue costs which were in accounts payable and accrued liabilities at August 31, 2017.

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

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

1. Nature of Operations

Meridius Resources Limited (the “Company”) was incorporated on July 10, 2017 under the provisions of the Business Corporations Act (British Columbia) and is in the process of preparing a prospectus for an initial public offering (the “IPO”) and listing (the “Listing”) of its common shares on the TSX Venture Exchange (“TSXV”) as a Tier 2 resource company. The Company’s head office is located at #1305 - 1090 West Georgia Street, Vancouver, BC, V6E 3V7 Canada.

The Company has concluded an option agreement to acquire a 100% undivided interest in mineral claims located in the Province of Quebec, Canada, as described in Note 4. As at August 31, 2017 the Company had working capital of \$107,281. The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments to complete the acquisition of the mineral properties and conduct planned exploration expenditures and corporate overhead over the course of the next twelve months. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its operations or obtain financing at unfavourable terms. The material uncertainty may cast significant doubt about the Company’s ability to continue as a going concern. Furthermore, failure to continue as a going concern would require the Company’s assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

See also Note 9.

2. Basis of Preparation

Statement of Compliance

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

Basis of Measurement

The Company’s financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value.

3. Significant Accounting Policies

Critical Judgments and Sources of Estimation Uncertainty

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These 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.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

- (i) The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

3. Summary of Significant Accounting Policies (continued)

- (ii) Management is required to assess impairment in respect of intangible exploration and evaluation assets. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and some assets are likely to become impaired in future periods.
- (iii) Although the Company takes steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.
- (iv) The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the Company's estimate of future profits or losses adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized to the extent of the amount expected to be utilized. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. Details of these can be found in Note 6.

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

- (i) Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.
- (ii) The assessment of any impairment of exploration and evaluation assets, is dependent upon estimates of the recoverable amount that take into account factors such as reserves, economic and market conditions and the useful lives of assets. Management has concluded that there were no impairment indicators present with respect to exploration and evaluation assets.

Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company is not exposed to significant credit or interest rate risk although cash is held in excess of federally insured limits with a major financial institution. As at August 31, 2017 the Company did not have any cash equivalents.

Amounts Receivable

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Receivables are classified as loans and receivable. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. As at August 31, 2017 the Company did not have any accounts receivable.

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

3. Summary of Significant Accounting Policies (continued)

Accounts Payable and Accrued Liabilities

Payables are obligations to pay for materials or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Payables are classified as other financial liabilities initially at fair value and subsequently measured at amortized cost using the effective interest method.

Exploration and Evaluation Assets

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral properties and crediting all proceeds received against the cost of the related properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment, or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount, but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that an exploration expenditure is not expected to be recovered, it is charged to the results of operations.

Impairment of Assets

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is determined as the price that would be received to sell an asset in an orderly transaction between market participants. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

3. Summary of Significant Accounting Policies (continued)

the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Decommissioning Provision

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral interest by or on behalf of the Company. Costs for restoration of site damage which is created on an ongoing basis during exploration and evaluation are provided for at their net present values and charged against profits in the period such exploration and evaluation occurs. Discount rates using a risk-free rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate and amount or timing of the underlying cash flows needed to settle the obligation. As at August 31, 2017 the Company does not have any decommissioning obligations.

Financial Instruments

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale (“AFS”), loans and receivables or at fair value through profit or loss.

Financial assets classified as fair value through profit or loss are measured at fair value with unrealized gains and losses recognized through comprehensive income (loss). Cash is classified as fair value through profit or loss.

Financial assets classified as loans and receivables and held to maturity are measured at amortized cost. As at August 31, 2017 the Company had not classified any financial assets as loans and receivables.

All financial liabilities are initially recorded at fair value and designated upon inception as fair value through profit or loss or other financial liabilities.

Financial liabilities classified as other financial liabilities are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities.

Financial liabilities classified as fair value through profit or loss are measured at fair value with unrealized gains and losses recognized through comprehensive loss. At August 31, 2017 the Company has not classified any financial liabilities as fair value through profit or loss.

Share Capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any related income tax effects.

Share-Based Payment Transactions

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

For employees the fair value is measured at grant date and each tranche is recognized separately on a straight line basis over the period during which the share options vest. The fair value of the share options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the share options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
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3. Summary of Significant Accounting Policies (continued)

Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

Current and Deferred Income Taxes

Income tax expense comprises current and deferred income tax. Income tax is recognized in the statement of comprehensive income (loss), except to the extent that it relates to items recognized in other comprehensive income (loss) or directly in equity. In this case the income tax is also recognized in other comprehensive income (loss) or directly in equity, respectively.

Current Income Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income Tax

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Currency

The functional currency of the Company is Canadian dollars and these financial statements are presented in Canadian dollars. Transactions of the Company that are denominated in foreign currencies are recorded in Canadian dollars at exchange rates in effect at the related transaction date. Monetary assets and liabilities denominated in foreign currencies are adjusted to reflect exchange rates at the balance sheet date. Exchange gains or losses, if any, arising from the translation of foreign currency denominated monetary assets and liabilities are included in operations.

Accounting Standards and Interpretations Issued but Not Yet Effective

As at the date of these financial statements, the following standards have not been applied in these financial statements:

- (i) The completed version of IFRS 9, *Financial Instruments*, was issued in July 2014. The completed standard provides for revised guidance on the classification and measurement of financial assets. It also introduces a new expected credit loss model for calculating impairment for financial assets. The new hedging guidance that was issued in November 2013 is incorporated into this new final standard. This final version of IFRS 9 will be effective for periods beginning on or after January 1, 2018, with early adoption permitted.

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

3. Summary of Significant Accounting Policies (continued)

- (ii) IFRS 15 outlines the principles for recognizing revenue from contracts with customers. The new standard establishes a new five-step model for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new standard is effective for annual periods beginning on or after January 1, 2018, and is applicable to all entities and will supersede all current revenue recognition requirements under IFRS.

Management is currently assessing the impact of these new standards on the Company's accounting policies and financial statement presentation.

4. Exploration and Evaluation Assets

On August 10, 2017 the Company and Telford Management Ltd. ("Telford"), a private corporation incorporated in the Province of British Columbia, entered into an option agreement whereby the Company was granted an option (the "Bonneville Option") to acquire a 100% interest in 36 mineral claims (the "Bonneville Gold Property") located in the township of Duplessis, Province of Quebec. Pursuant to the terms of the Bonneville Option the Company has agreed to:

- (i) make cash payments totalling \$220,000 (\$5,000 paid) within 24 months after the date of the Listing. See also Note 9(a);
- (ii) issue 200,000 common shares of the Company within five days of the Listing; and
- (iii) incur expenditures totalling \$750,000 within 24 months after the Listing.

In the event that the Listing is later than March 1, 2018 the Company will pay Telford an additional \$25,000.

Telford retains a 1% net smelter returns royalty which may be purchased by the Company for \$1,000,000 at any time.

5. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Reconciliation of Changes in Share Capital*

During the period ended August 31, 2017 the Company completed private placements and issued:

- (i) 2,500,000 common shares, at \$0.001 per share, for \$2,500 cash. The fair value of the common shares were deemed to be \$125,000 with the \$122,500 difference being recorded as share-based compensation; and
- (ii) 2,550,000 common shares, at \$0.05 per share, for \$127,500 cash.

See also Note 9.

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

6. Income Taxes

Deferred income tax assets of the Company as at August 31, 2017 are as follows:

	\$
Losses carried forward	1,227
Valuation allowance	<u>(1,227)</u>
Net deferred income tax asset	<u>-</u>

The recovery of income taxes shown in the consolidated statements of comprehensive loss differs from the amounts obtained by applying statutory rates to the loss before provision for income taxes due to the following:

	\$
Income tax rate reconciliation	
Combined federal and provincial income tax rate	<u>26%</u>
Expected income tax recovery	33,077
Non-deductible share-based compensation	(31,850)
Unrecognized benefit of income tax losses	<u>(1,227)</u>
Deferred income tax recovery	<u>-</u>

As at August 31, 2017 the Company has accumulated non-capital losses of \$4,719 and accumulated pools of \$5,000 for income tax purposes and are available to reduce taxable income of future years. The non-capital losses expire in fiscal 2017.

7. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following five categories: FVTPL; held-to-maturity investments; loans and receivables; AFS; and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	\$
Cash	FVTPL	119,531
Accounts payable and accrued liabilities	Other financial liabilities	(12,500)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

7. Financial Instruments and Risk Management (continued)

The recorded amount for accounts payable and accrued liabilities approximate its fair value due to its short-term nature. The Company's fair value of cash under the fair value hierarchy are measured using Level 1 inputs.

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

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at August 31, 2017				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash	119,531	-	-	-	119,531
Accounts payable and accrued liabilities	(12,500)	-	-	-	(12,500)

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.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in a foreign currency. As at August 31, 2017 the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

(c) Price Risk

The Company has limited exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

MERIDIUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JULY 10, 2017 (Date of Incorporation) TO AUGUST 31, 2017
(Expressed in Canadian Dollars)

7. Financial Instruments and Risk Management (continued)

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, cash and cash equivalents and short-term investments. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

8. Segmented Information

The Company operates in one reportable operating segment, being exploration and development of mineral properties in Canada.

9. Events after the Reporting Period

- (a) On September 6, 2017 the Company made a further cash payment of \$15,000 pursuant to the Bonneville Option.
- (b) On September 8, 2017 the Company and Haywood Securities Inc. (the "Agent") entered into an agency agreement relating to a proposed IPO by way of prospectus (the "Offering"), of 6,500,000 common shares, at \$0.10 per share for gross proceeds of \$650,000. The Agent will receive a commission equal to: (i) 7% of the gross proceeds realized from the sale of common shares to purchasers not on the President's List under the Offering, if any, and; (ii) 3% of the gross proceeds realized from the sale of common shares to purchasers on the President's List under the Offering. The Company has further agreed to pay the Agent a corporate finance fee of \$25,000. As at August 31, 2017 the Company has recorded deferred share issue costs of \$13,000 on the Offering.
- (c) On September 15, 2017 the Company granted share options to directors and officers of the Company to purchase 1,050,000 common shares at an exercise price of \$0.10 per share, expiring five years after the Listing.

CERTIFICATE OF ISSUER

Dated: December 20, 2017

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

“Dylan Sidoo” (signed)
Chief Executive Officer

“Nick DeMare” (signed)
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“David Sidoo” (signed)
Director

“Jordan Sidoo” (signed)
Director

CERTIFICATE OF PROMOTER

Dated: December 20, 2017

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

“David Sidoo” (signed)

CERTIFICATE OF AGENT

Dated: December 20, 2017

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia and Alberta.

HAYWOOD SECURITIES INC.

“Don Wong” (signed)

By: Don Wong

Title: Vice President, Investment Banking