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No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly in the United States of America, its territories or possessions. This prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".

INITIAL PUBLIC OFFERING

DATE: August 13, 2018

PRELIMINARY PROSPECTUS

GSP RESOURCE CORP.

1610 - 777 Dunsmuir Street, Vancouver, British Columbia V7Y 1K4
Telephone: (604) 250-2844

2,500,000 COMMON SHARES AT A PRICE OF \$0.20 PER COMMON SHARE AND 1,000,000 FLOW-THROUGH COMMON SHARES AT A PRICE OF \$0.25 PER FLOW-THROUGH COMMON SHARE

FOR AGGREGATE GROSS PROCEEDS OF \$750,000

GSP Resource Corp. (the "Company") hereby offers, through its agent, Canaccord Genuity Corp. (the "Agent") on a commercially reasonable efforts basis (the "Offering") for sale to purchasers resident in the provinces of British Columbia and Alberta (the "Selling Provinces") an aggregate of 2,500,000 Common Shares of the Company (the "Shares") at a price of \$0.20 per Share and 1,000,000 flow-through Common Shares of the Company (the "FT Shares") at a price of \$0.25 per FT Share (the Shares together with the FT Shares, the "Offered Securities"). Each FT Share will be a Common Share of the Company that qualifies as a "flow-through share" within the meaning of the Tax Act (as defined herein).

	Price to Public⁽¹⁾	Agent's Commission⁽²⁾⁽⁵⁾	Net Proceeds⁽²⁾⁽³⁾⁽⁴⁾
Per Share:	\$0.20	\$0.016	\$0.184
Per FT Share	\$0.25	\$0.02	\$0.23
Total Offering:	\$750,000	\$60,000	\$690,000

(1) The price of the Shares and FT Shares was determined by negotiations between the Company and the Agent.

(2) Under the terms of an Agency Agreement between the Agent and the Company dated •, 2018 (the "Agency Agreement") the Offering will be conducted on a commercially reasonable efforts basis. Upon completion of the Offering (as defined herein), the Agent will receive non-transferable Common Share purchase warrants (the "Agent's Warrants") entitling it to acquire that number of Common Shares (the "Agent's Warrant Shares") equal to 8% of the number of Offered Securities (including any Additional Shares (as defined herein) sold on exercise of the Over-Allotment Option (as defined herein)) issued pursuant to the Offering, each Agent's Warrant exercisable at a price of \$0.20 per Agent's Warrant Share at any time on or before the date which is twenty-four months from the Listing Date (as defined herein). To the extent they are Qualified Compensation Securities (as defined herein), the Agent's Warrants are qualified for distribution pursuant to this Prospectus. The Agent shall receive a commission equal to 8% of the gross proceeds of the Offering (including any Additional Shares sold on exercise of the Over-Allotment Option) payable in cash (the "Commission"). The Agent will receive a corporate finance fee of 75,000 Common Shares (the "Corporate Finance Shares") and \$15,000 (the "Corporate Finance Cash Fee"), and will be reimbursed for its expenses related to the Offering, including the fees and disbursements of its legal counsel. The Agent has received a

retainer of \$20,000 for such legal fees, taxes and disbursements. National Instrument 41-101 – *General Prospectus Requirements* (“NI 41-101”) restricts the number of securities issued to an Agent as compensation which may be qualified for distribution under a prospectus (“Qualified Compensation Securities”) to a maximum of 10% of the Offered Securities (including any Additional Shares). For the purposes of this Offering any combination of the following, totaling 350,000 securities (up to 402,500 securities if the Over-Allotment Option is exercised), are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (a) up to 75,000 Corporate Finance Shares; and up to a maximum 280,000 Agent’s Warrants (up to 322,000 Agent’s Warrants if the Over-Allotment Option is exercised). To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Securities (including any Additional Shares), those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws.

- (3) Before deduction of the costs of the Offering including the Corporate Finance Cash Fee, estimated at \$129,000. See “Use of Proceeds”.
- (4) The Company has granted to the Agent an option (the “Over-Allotment Option”), exercisable, in whole or in part, at the sole discretion of the Agent, at any time not later than the 30th day following the Closing of the Offering (the “Closing”), to arrange for the sale of up to an additional 525,000 Common Shares (the “Additional Shares”), representing approximately 15% of the number of Offered Securities at a price of \$0.20 per Additional Share, to cover the Agent’s over-allocation position, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total Price to the Public, Agent’s Commission and Net Proceeds to the Company will be \$855,000, \$68,400 and \$786,600, respectively. A purchaser who acquires Additional Shares forming part of the Agent’s over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares issuable upon exercise of the Over-Allotment Option. See “*Plan of Distribution*”.
- (5) Assuming no President’s List Commission and Warrants (as defined herein).

The completion of this Offering is subject to a minimum subscription of 2,500,000 Shares and 1,000,000 FT Shares with aggregate gross proceeds of \$750,000 (the “Minimum Offering”). If subscriptions representing the Minimum Offering are not received within 90 days of the issuance of a receipt for the (final) Prospectus, or if a receipt has been issued for an amendment to the (final) Prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of receipt for the (final) Prospectus, the Offering will cease. The Agent, pending closing of the Minimum Offering, will hold in trust all subscription funds received pursuant to the provisions of the Agency Agreement. If the Minimum Offering is not completed, the subscription proceeds received by the Agent in connection with the Offering will be returned to the subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

The Company will incur (or will be deemed to have incurred) in the period following Closing until December 31, 2019 and renounce to each subscriber of FT Shares, effective on or before December 31, 2018 “Canadian exploration expense” as such term is defined in the Tax Act (“Canadian Exploration Expense” or “CEE”) in an amount equal to the portion of the aggregate purchase price for FT Shares paid by such subscriber. See “Description of the Offered Securities ” and “Certain Canadian Tax Considerations”. The Company has advised that the CEE, once renounced to a qualifying individual, will qualify as “flow-through mining expenditures” (as such term is defined in the Tax Act).

Potential investors are advised to consult their own legal counsel and other professional advisors in order to assess income tax, legal and other aspects of this investment.

There is no market through which these securities may be sold and purchasers may not be able to resell the Offered Securities purchased under the 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”.

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

An investment in the securities offered hereunder by the Company should be considered speculative due to the nature of the business of the Company, its present stage of development, and other risk factors. Investors should not invest any funds in this Offering unless they can afford to lose their entire investment. Investors must be willing to rely on the ability, expertise, judgment and discretion of the management. See “Risk Factors”.

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

The Company has applied to list the Common Shares distributed under this Prospectus on the TSX Venture Exchange (the “TSXV”). **The listing is subject to the Company fulfilling all of the listing requirements of the TSXV, including prescribed distribution and financial requirements. The listing of the Common Shares on the TSXV is a condition of closing of this Offering. There can be no assurance that the Company will meet all of the listing requirements of the TSXV.**

The Company is neither a “connected issuer” nor a “related issuer” of the Agent as defined in National Instrument 33-105 – *Underwriting Conflicts*.

Agent’s Position	Maximum size or number of securities available	Exercise period or Acquisition date	Exercise price or average acquisition price
Agent’s Warrants	322,000 Agent’s Warrants ⁽¹⁾	24 months from the Listing Date	\$0.20
Corporate Finance Shares	75,000 Corporate Finance Shares	On Closing	\$0.20
Over-Allotment Option	525,000 Additional Shares	Up to 30 days following Closing	\$0.20
Total compensation securities issuable to Agent	922,000 securities ⁽¹⁾		

(1) Assuming the Over-Allotment Option is exercised in full. In the event that the Over-Allotment Option is not exercised, the maximum number of Agent’s Warrants will be 280,000 and the total compensation securities issuable to the Agent will be 355,000.

(2) Assuming no President’s List Commission and Warrants.

This Prospectus qualifies the distribution of the Offered Securities, the grant of the Over-Allotment Option, the distribution of the Additional Shares issuable on exercise of the Over-Allotment Option, the Agent’s Warrants and the Corporate Finance Shares, to the extent they are Qualified Compensation Securities. See “Plan of Distribution”.

In accordance with applicable laws and policies, the Agent may effect transactions that stabilize or maintain the market price of the Company’s Common Shares at a level other than which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Canaccord Genuity Corp., as Agent, offers the Offered Securities on a commercially reasonable efforts basis subject to prior sale if, as and when issued by the Company in accordance with the conditions contained in the Agency Agreement referred to under “Plan of Distribution” of this Offering. 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 notice. No person is authorized to provide any information or make any representation in connection with the Offering other than as contained in this Prospectus.

Certain legal matters related to the Offering have been reviewed on behalf of the Company by AFG Law LLP and on behalf of the Agent by Miller Thomson LLP.

It is expected that share certificates evidencing the Offered Securities in definitive form will be available for delivery at the closing of the Offering unless the Agent elects for electronic delivery through the non-certificated inventory (“NCI”) system of CDS Clearing and Depository Services Inc. (“CDS”) or its

nominee. If delivered in NCI form, purchasers of Offered Securities will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Offered Securities were purchased.

CANACCORD GENUITY CORP.

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ELIGIBILITY FOR INVESTMENT

In the opinion of AFG Law LLP, counsel to the Company, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the “**Tax Act**”) in force on the date hereof, the Offered Securities issued pursuant to the Offering, if issued on the date hereof, would be "qualified investments" under the Tax Act for trusts governed by a registered retirement savings plan (“**RRSP**”), registered retirement income funds (“**RRIF**”), registered education savings plan (“**RESP**”), registered disability savings plan (“**RDSP**”), deferred profit sharing plan and tax-free savings account (“**TFSA**”), each as defined in the Tax Act (collectively, “**Deferred Plans**”), provided that the Offered Securities are listed on a "designated stock exchange" for purposes of the Tax Act (which currently includes Tiers 1 and 2 of the TSXV) or the Company is otherwise a “public corporation” as defined in the Tax Act.

The Offered Securities are not currently listed on a “designated stock exchange” and the Company is not currently a “public corporation” as that term is defined in the Tax Act. The Company has applying to list the Offered Securities, on the TSXV as of the day before Closing, followed by an immediate halt in trading thereof in order to allow the Company to satisfy the conditions of the TSXV and to have the Offered Securities listed and posted for trading prior the issuance of the Offered Securities on Closing. The Company must rely on the TSXV to list the Offered Securities on the TSXV and have them posted for trading prior the issuance of the Offered Securities on Closing, and to otherwise proceed in such manner as may be required to result in the Offered Securities being listed on the TSXV at the time of their issuance on Closing. If the Offered Securities are not listed on the TSXV at the time of their issuance and the Company is not a “public corporation” for the purposes of the Tax Act at that time, the Offered Securities will not be qualified investments for the Deferred Plans at that time.

Notwithstanding the foregoing, the holder of a TFSA or RDSP, the annuitant under a RRSP or RRIF, or the subscriber under a RESP, as applicable, will be subject to a penalty tax under the Tax Act if the Offered Securities are a "prohibited investment" for purposes of the Tax Act for the TFSA, RDSP, RRSP, RRIF or RESP. The Offered Securities will generally be a "prohibited investment" for a particular TFSA, RDSP, RRSP, RRIF or RESP if the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF, or the subscriber of the RESP, as applicable, (i) does not deal at arm's length with the Company for the purposes of the Tax Act or (ii) has a "significant interest", as defined in the Tax Act, in the Company. Generally, a holder, annuitant or subscriber, as applicable, will not have a "significant interest" in the Company unless the holder, annuitant or subscriber, together with persons with whom the holder, annuitant or subscriber does not deal at arm's length, does not own, directly or indirectly, 10% or more of the issued shares of any class of the capital stock of the Company or of a corporation related to the Company (for purposes of the Tax Act). In addition, the Offered Securities, will generally not be a "prohibited investment" if the Offered Securities are "excluded property" as defined in the Tax Act for a TFSA, RDSP, RRSP, RRIF or RESP.

It would be highly unusual for a Deferred Plan to subscribe for FT Shares directly, as such Deferred Plan would not be able to use the tax deductions described below under the heading “*Certain Canadian Tax Considerations*”.

Purchasers who intend to hold Offered Securities in a Deferred Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

NOTE TO INVESTORS

An investor should rely only on the information contained in this Prospectus and is not entitled to rely on certain parts of the information contained in this Prospectus to the exclusion of others. Neither the Company nor the Agent has authorized anyone to provide investors with additional or different information. Neither the Company nor the Agent is offering to sell these securities in any jurisdictions where the offer or sale is not permitted. The information contained in this Prospectus is accurate only as of the date of this Prospectus, regardless of the time of delivery of this Prospectus or any sale of the securities. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

TECHNICAL INFORMATION

Technical information relating to the Olivine Property contained in this Prospectus is derived from, and in some instances is an extract from, the Olivine Report.

Reference should be made to the full text of the Olivine Report which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company's profile on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains "forward-looking information" within the meaning of applicable Canadian securities legislation. These statements include statements relating to the plans, expectations and assumptions concerning the Olivine Property, the timing and budget for exploration and upcoming work programs on the Olivine Property, the expected cash needs and anticipated use of proceeds from this Offering, statements with respect to geological interpretation and property titles, and statements concerning the financial condition, operating strategies and operating and legal risks of the Company.

The Company uses the words "anticipate," "continue," "likely," "estimate," "expect," "may," "could," "will," "project," "should," "believe" and similar expressions to identify forward-looking statements. Statements that contain these words discuss the Company's future expectations, contain projections or state other forward-looking information. Although the Company believes the expectations and assumptions reflected in those forward-looking statements are reasonable, the Company cannot make any assurances that these expectations and assumptions will provide to be correct. The Company's actual results, performance or achievements could differ materially from those expressed or implied in these forward-looking statements as a result of unknown risks, uncertainties, assumptions or the factors described under "Risk Factors" in this Prospectus and other factors set forth in this Prospectus, including:

- Results of exploration at the Olivine Property;
- The economic viability of exploration at the Olivine Property;
- The Company's ability to raise necessary capital to finance continued exploration of the Olivine Property;
- The Company's ability to retain key management and mining personnel necessary to successfully operate the Company's business strategy; and
- The precise location of mineral claims.

Such forward-looking statements are also based on a number of assumptions made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments which may prove to be incorrect, including for example, assumptions that: the timelines to be established for the exploration of the Olivine Property will be within general industry experience; the costs of exploration activities will not deviate significantly from recent trends; the Company will be able to retain key personnel; general business and economic conditions will be consistent with recent trends; the availability and final receipt of required approvals, licenses and permits; sufficient working capital; access to adequate services and supplies; commodity prices; foreign currency exchange rates; interest rates; access to capital and debt markets and associated costs of funds; availability of a qualified work force; that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis; that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions; that any environmental and other proceedings or disputes are satisfactorily resolved; and that the Company maintains its ongoing relations with its business partners and governmental authorities; the precise location of mineral claims; and the future operations of the Company on its properties.

Many of these factors are beyond the Company's ability to control or predict. Readers of this Prospectus should not unduly rely on any of the forward-looking statements. These statements speak only as of the date of this Prospectus. Readers should not place undue reliance on forward-looking statements. Except to the extent as required by applicable securities laws in Canada, the Company does not undertake to revise these forward-looking statements to reflect future events or developments.

Forward-Looking information is disclosed under the headings "Use of Proceeds" and "Risk Factors".

GLOSSARY OF TERMS

In this Prospectus, the abbreviations and terms set forth below have the meanings ascribed thereto, unless otherwise defined in this Prospectus.

“**Additional Shares**” means up to 525,000 Common Shares at a price of \$0.20 per Additional Share sold pursuant to the exercise of the Over-Allotment Option;

“**Agency Agreement**” means the agency agreement dated ●, 2018 between the Company and the Agent in respect of the Offering;

“**Agent**” means Canaccord Genuity Corp.;

“**Agent’s Warrants**” means the non-transferable Common Share purchase warrants to be issued to the Agent as described under the heading “Plan of Distribution” herein;

“**Agent’s Warrant Shares**” means Common Shares issued upon exercise of Agent’s Warrants;

“**BCA**” means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder;

“**Board**” means the board of directors of the Company;

“**business day**” means any day, other than Saturday, Sunday or a statutory holiday in Vancouver, British Columbia;

“**Canadian Exploration Expense**” or “**CEE**” means “Canadian exploration expense” as such term is defined in the Tax Act;

“**Closing**” means the closing of the issue and sale of the Offered Securities pursuant to the Offering;

“**Commission**” means the cash commission payable to the Agent pursuant to the Agency Agreement, which commission is equal to 8% of the gross proceeds from the sale of the Offered Securities including any Additional Shares except for sales to purchasers under the President’s List;

“**Common Shares**” means the Class A common shares without par value in the capital of the Company;

“**Company**” means GSP Resource Corp.;

“**Corporate Finance Cash Fee**” means the \$15,000 payable in cash to the Agent as the cash portion of the corporate finance fee;

“**Corporate Finance Shares**” means 75,000 Common Shares issuable to the Agent at Closing as part of the corporate finance fee;

“**CRA**” means the Canada Revenue Agency;

“**Effective Date**” means the date that is 5 days after the date of the Final Exchange Bulletin giving notice of the approval by the TSXV of the listing of the Common Shares on the facilities of the TSXV and the acceptance of the TSXV of the Olivine Option Agreement;

“**Escrow Agent**” means Computershare Investor Services Inc. in its capacity as escrow agent under the Escrow Agreement;

“**Escrow Agreement**” means an escrow agreement dated August 8, 2018 among the Principals, non-Principal Shareholders, the Escrow Agent and the Company with respect to 6,550,000 Common Shares;

“**FT Shares**” means 1,000,000 flow-through Common Shares offered under this Prospectus;

"FT Subscription Agreement" means the flow-through subscription and renunciation agreements entered into between the Company and the Agent, as agent for, on behalf of and in the name of, all subscribers of FT Shares;

"IFRS" means International Financial Reporting Standards;

"km" means kilometre;

"Named Executive Officer" has the meaning ascribed thereto in National Instrument 51-102F6 - *Statement of Executive Compensation*, of the Canadian Securities Administrators;

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

"NI 43-101" means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, of the Canadian Securities Administrators;

"NI 52-110" means National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators;

"NSR Royalty" means a 2% net smelter return royalty payable to the Optionor on all material containing a mineral or minerals of commercial economic value mined from the Olivine Property on commencement of commercial production in accordance with the provisions of the Olivine Option Agreement, as further described herein;

"Offering" means the offering of 2,500,000 Shares at a price of \$0.20 per Share and 1,000,000 FT Shares at a price of \$0.25 per FT Share pursuant to this Prospectus;

"Offered Securities" means the Shares and FT Shares offered pursuant to this Prospectus;

"Olivine Option Agreement" means the Option Agreement dated February 23, 2018 between the Company and Platinum Belt Resources Inc. as Optionor, pursuant to which the Company was granted an option by the Optionor to acquire a 100% interest in the Olivine Property;

"Olivine Property" means the 25 mineral claims (2455.54 hectares), located in the Similkameen Mining Division, 25 km northwest of Princeton, British Columbia, on which the Company has an option to acquire a 100% interest, subject to the 2% NSR Royalty pursuant to the Olivine Option Agreement;

"Olivine Report" means the report entitled "Technical Report on the Olivine Mountain Property, Similkameen Mining Division, British Columbia" prepared by John R. Kerr, P. Eng., a Qualified Person, dated effective June 15, 2018;

"Optionor" means Platinum Belt Resources Inc.;

"Over-Allotment Option" means the option granted to the Agent exercisable, in whole or in part, at the sole discretion of the Agent, at any time not later than the 30th day following Closing to arrange for the purchase of up to 525,000 Additional Shares at a price of \$0.20 per Additional Share, to cover over-allotments, if any, in connection with the sale of the Shares under this Prospectus and for market stabilization purposes;

"person" means any individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;

"President's List" means a list of purchasers of the Offering provided to the Agent by the Company;

"President's List Commission and Warrants" means (i) a cash commission paid to the Agent equal to 4% of the proceeds from the sale of Offered Securities sold pursuant to the Offering to purchasers under the President's List and (ii) Agent's Warrants issuable to the Agent to purchase that number of Agent's

Warrant Shares equal to 4% of the number of Offered Securities sold pursuant to the Offering to purchasers under the President's List;

"**Promoter**" has the meaning ascribed to it in the *Securities Act* (British Columbia);

"**Prospectus**" means the preliminary or final prospectus with respect to the Offering, as the case may be;

"**Qualified Compensation Securities**" means the maximum number of securities, which is restricted by NI 41-101 to 10% of the Offered Securities including any Additional Shares, that may be issued to an Agent as compensation and qualified for distribution under the Prospectus;

"**Qualified Person**" an individual who, in accordance with NI 43-101 (i) 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; (ii) has experience relevant to the subject matter of the mineral project and the technical report; and (iii) is a member in good standing of a recognized professional association;

"**Shares**" means the 2,500,000 Common Shares offered under this Prospectus;

"**Shareholders**" means holders of Common Shares, unless the context indicates otherwise;

"**Tax Act**" means the Income Tax Act (Canada) and the regulations thereunder;

"**Transfer Agent**" means Computershare Investor Services Inc. in its capacity as registrar and transfer agent of the Common Shares;

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

"**TSXV Policies**" means the TSXV corporate finance manual, as amended from time to time;

Words importing the singular number only include the plural and vice versa and words importing any gender include both genders.

SUMMARY

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

Company: GSP Resource Corp.

Business: The Company is a natural resource company engaged in the acquisition and exploration of mining properties. See "Business of the Company". The Company's main emphasis is on exploration in the Similkameen Mining Division in the Province of British Columbia, where the Company has an interest to acquire 100% of the Olivine Property pursuant to the Olivine Option Agreement. The Olivine Property is more specifically described below in this Prospectus under the heading "Narrative Description of the Business".

Offering: A Minimum Offering of 2,500,000 Shares and 1,000,000 FT Shares. See "Plan of Distribution"

Price: \$0.20 per Share and \$0.25 per FT Share (a commission of \$0.016 per Share and \$0.02 per FT Share shall be paid to the Agent out of the gross proceeds of the Offering, including any Additional Shares).

Over-Allotment: The Company has granted to the Agent an Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Agent, at any time up to but not later than the 30th day following Closing, to sell up to 525,000 Additional Shares, representing 15% of the number of Offered Securities at a price of \$0.20 per Additional Share, to cover over-allotments, if any, in connection with market stabilization purposes. A purchaser who acquires Additional Shares forming part of the Agent's over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares issuable upon exercise of the Over-Allotment Option. See "Plan of Distribution".

Net Proceeds The net proceeds of the Offering after deduction of the Commission will be \$690,000 (assuming the Over-Allotment Option is not exercised) before deduction of the costs of the Offering, which are estimated to be \$114,000 and the Corporate Finance Cash Fee of \$15,000. If the Over-Allotment Option is exercised in full, the total Price to the Public, Agent's Commission and Net Proceeds to the Company will be \$855,000, \$68,400 and \$786,600, respectively.

Use of Proceeds: The gross proceeds to the Company from the sale of the Offered Securities will be \$750,000 (assuming no exercise of the Over-Allotment Option). The total funds available to the Company at the closing of the Offering, after deducting the estimated expenses of the Offering of \$114,000 and the Agent's Commission of \$60,000 (assumes no President's List Commission and Warrants) and the Corporate Finance Cash Fee of \$15,000 and including working capital as at July 31, 2018 of approximately \$182,000, are estimated to be \$743,000. The Company intends to expend its available funds for the following principal purposes:

	Minimum
To pay the cost of Phase I of the exploration program on the Olivine Property ⁽¹⁾	\$240,000

To pay a property payment pursuant to the Olivine Option Agreement within 10 days of the Effective Date ⁽¹⁾	\$20,000
To pay a property payment pursuant to the Olivine Option Agreement within 6 months of the Effective Date ⁽¹⁾	\$20,000
To pay a property payment pursuant to the Olivine Option Agreement within 12 months of the Effective Date ⁽¹⁾	\$25,000
Administration costs for 12 months ⁽²⁾	\$250,000
Marketing and investor relations	\$75,000
Unallocated working capital	\$113,000
TOTAL	\$743,000

(1) See "Narrative Description of the Business".

(2) The Company estimates that its administrative costs will include accounting fees of \$18,000, transfer agent fees of \$5,000, professional fees of \$57,000, office expenses of \$30,000, director and management fees of \$60,000, consulting fees of \$60,000 and TSXV fees of \$20,000.

The Company had a negative operating cash flow since the commencement of its activities and in its most recently completed financial year and will continue to for the foreseeable future. The Company may not have enough funds to carry out a Phase II exploration program on the Olivine Property and additional financings may be required. See "Use of Proceeds" and "Risk Factors".

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

Any additional proceeds from the exercise of the Over-Allotment Option will be added to working capital of the Company.

Notwithstanding the foregoing, the Company will undertake to incur (or be deemed to incur) sufficient CEE that qualify as "flow-through mining expenditures" (for purposes of the Tax Act), on or before December 31, 2019 so as to enable the Company to renounce, effective on or before December 31, 2018, in favour of subscribers of FT Shares, an amount equal to the aggregate purchase price for the FT Shares paid by such subscriber. See "Certain Canadian Tax Considerations".

Risk Factors: An investment in the Offered Securities should be considered highly speculative and investors may incur a loss on their investment. The Company has an option only to acquire an interest in the Olivine Property. There is no guarantee that the Company will be able to meet its obligations under the Olivine Option Agreement. The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: insufficient capital; limited operating history; lack of operating cash flow; there is not presently an active market for the Company's Common Shares; the future price of the Company Common Shares will vary depending on factors unrelated to the Company's performance or intrinsic fair value; the Company's ability to discovery commercial quantities of ore is uncertain; the Company's ability to market ore discovered by the Company is uncertain and dependent on variables beyond the Company's control and subject to a high degree of variability and uncertainty; the Company's ability to develop commercially marketable

ore depends on variables that are unknown at this time; some aspects of the Company's operations entail risk that cannot be insured against or may not be covered by insurance; the calculation of the economic value of ore is subject to a high degree of variability and uncertainty; the Company's does not have a guarantee of title; uncertainties about the resolution of aboriginal rights in British Columbia may affect the Company; community groups; some of the Company's mineral claims have not yet been surveyed; if the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Olivine Property; property interests; the Company is an early stage Company; the Company operates at a loss and may never generate a profit; tax authorities may unfavourably change the manner in which they treat mining activities and associated financing activities without notice; the Company operates in a highly competitive environment; the Company operates in a highly regulated environment that is subject to changes, some unforeseen, to government policy; obtaining and renewing licenses and permits; the Company operates in an environment with significant environmental and safety regulations and risks; regulatory requirements; volatility of mineral prices; infrastructure; risks associated with acquisitions; management; the Company is subject to legal and political risks; adverse general economic conditions; claims and legal proceedings; force majeure; uncertainty of use of proceeds; some of the Company's directors have significant involvement in other companies in the same sector; the value of the Offered Securities may be significantly diluted; price volatility of publicly traded securities; and reporting issuer status. See the section entitled "Risk Factors" for details of these and other risks relating to the Company's business. **An investment in the Offered Securities 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 the Offered Securities.**

**Summary of
Financial
Information:**

The following selected financial information is derived from the audited financial statements of the Company for the period from incorporation on February 19, 2018 to May 31, 2018 appearing elsewhere in this Prospectus and should be read in conjunction therewith and the notes thereto. The Company has established May 31 as its financial year end. See "Selected Annual Information and Management Discussion and Analysis".

	For the period from Incorporation on February 19, 2018 to May 31, 2018 (audited)
Revenue	Nil
General and Administrative Expenses, except stock based payments	\$2,895
Stock based payments	Nil
Deferred tax expense	\$25,377
Net Income (Loss)	\$(28,272)
Total Exploration and Evaluation Assets costs	\$126,416
Acquisition costs	\$15,000
Exploration costs	\$111,416
Working Capital	\$231,274
Financing Activities, Issuance of shares for cash	\$364,250

	For the period from Incorporation on February 19, 2018 to May 31, 2018 (audited)
Total Assets	\$380,104
Total Current Assets	\$250,023
Deferred financing costs	\$3,665
Exploration and Evaluation assets	\$126,416
Total Liabilities	\$44,126
Total Shareholders' Equity Dollar Amount	\$335,978
Basic and Diluted Loss Per Share	(\$0.01)
Number of Common Shares Outstanding	6,550,000

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated on February 19, 2018 under the *Business Corporations Act* (British Columbia) as "GSP Resource Corp."

The head office and registered and records office of the Company are located at 1610 - 777 Dunsmuir Street, Vancouver, British Columbia V7Y 1K4.

Intercorporate Relationships

The Company has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

History

The Principals (as defined herein) of the Company have experience in natural resource development and several potential prospects were examined. The Company commenced natural resource exploration operations in April 2018 shortly after it entered into the Olivine Option Agreement, whereunder the Company was granted the sole and exclusive right and option to acquire a 100% undivided interest in certain mineral claims which are referred to as the "Olivine Property". Information regarding the Olivine Property and the particulars of the material terms of the Olivine Option Agreement are described in greater detail below.

Business of the Company

The principal business carried on since incorporation and expected to be carried on by the Company during the current financial year is exploration operations on the Olivine Property. Throughout the remainder of its current financial year, the Company intends to continue to fulfill its obligations under the Olivine Option Agreement, and undertake Phase I of the exploration program on the Olivine Property. During that same time period, the Company may also assess other mineral properties and potentially seek to acquire interests in such properties if the Company determines such properties have certain geologic or economic merit and if the Company has adequate financial resources to pursue such acquisitions.

The Company entered into the Olivine Option Agreement dated February 23, 2018 with the Optionor, whereunder the Company was granted the sole and exclusive right and option to acquire a 100% interest in the Olivine Property, the particulars of which are described in greater detail below.

In order to exercise its option to acquire a 100% interest in the Olivine Property, pursuant to the terms of the Olivine Option Agreement, the Company is required to: pay an aggregate \$105,000 to the Optionor; issue an aggregate 200,000 Common Shares to the Optionor; and incur an aggregate minimum \$300,000 in exploration expenditures on the Olivine Property, in accordance with the schedule as set out under "Olivine Property" below.

The cash payments, share issuances and exploration expenditures on the Olivine Property may be accelerated at the Company's discretion.

The Olivine Option Agreement grants the Company an option only. The Company is, therefore, not obligated to meet any of the above option obligations in the event that it chooses to terminate the Olivine Option Agreement and abandon the Olivine Property for any reason. The Company may terminate the Olivine Option Agreement at any time on notice to the Optionor prior to exercise of the Option. The Olivine Option Agreement will terminate if the Company fails to make any payments, issue any shares or complete any exploration expenditures by the dates set out in the Olivine Option Agreement, and any such failure persists for more than 30 days following the due date for any such payment, issuance or expenditure, or if the Effective Date has not occurred by December 31, 2018.

Pursuant to the Olivine Option Agreement, the Company shall act as the operator with respect to all exploration work to be carried out on the Olivine Property during the term of the Olivine Option Agreement. Upon completion by the Company of all of its obligations under the Olivine Option Agreement, it will have earned a 100% undivided interest in the Olivine Property, subject only to the 2% NSR Royalty payable to the Optionor, which can be repurchased by the Company for \$1,000,000 per each 1% of the NSR Royalty.

To date, the Company has raised \$364,250 through the sale of Common Shares.

Competitive Conditions

The mineral exploration industry is competitive, with many companies competing for the limited number of precious and base metals acquisition and exploration opportunities that are economic under current or foreseeable metals prices, as well as for available investment funds. Competition is also high for the recruitment of qualified personnel and equipment.

Government Regulation

Mining operations and exploration activities in Canada are subject to various federal, provincial and local laws and regulations which govern prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

The Company believes that it is and will continue to be in compliance in all material respects with applicable statutes and the regulations passed in Canada. There are no current orders or directions relating to the Company with respect to the foregoing laws and regulations.

Environmental Regulation

The Company's mineral exploration activities are subject to various federal, provincial and local laws and regulations governing protection of the environment. In general, these laws are amended often and are becoming more restrictive. The Company's policy is to conduct its business in a way that safeguards public health and the environment. The Company believes that its operations are conducted in material compliance with applicable environmental laws and regulations.

Since its incorporation, the Company has not had any material environmental incidents or non-compliance with any applicable environmental laws or regulations. The Company estimates that it will not incur material capital expenditures for environmental control facilities during the current fiscal year and in the future unless the Company transitions from a mineral exploration company to mineral development and/or production.

Other Property Interests and Mining Claims

The Company currently has no other interests other than as described in this Prospectus.

Trends

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

The Company'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 Company.

NARRATIVE DESCRIPTION OF THE BUSINESS

Stated Business Objective

The Company is a natural resource company engaged in the acquisition and exploration of mining properties. The Company's main emphasis is on the exploration for massive sulphide deposits with significant gold, platinum and palladium deposits in the Similkameen Mining Division, British Columbia where the Company has acquired an option to acquire a 100% undivided interest in the Olivine Property. The Company commenced operations on the Olivine Property in April 2018. To the date of this Prospectus, the Company has spent approximately \$111,000 on the exploration of the Olivine Property and \$15,000 in acquisition costs.

The Company intends to expend existing working capital and net proceeds from the Offering to undertake Phase I of the exploration program on the Olivine Property, to pay the balance of the estimated costs of the Offering, to pay for administrative costs for the next 12 months, to make property payments and for working capital. See "Use of Proceeds".

Olivine Property

Olivine Option Agreement

The Olivine Property consists of 25 mineral claims totalling 2455.54 hectares. The Olivine Property is located in the interior plateau area of South Central British Columbia, in the Similkameen Mining Division, 25 km northwest of Princeton, British Columbia.

On February 23, 2018, the Company entered into the Olivine Option Agreement with the Optionor, pursuant to which the Company may earn and acquire a 100% right, title and interest, subject only to the NSR Royalty, in the Olivine Property by:

- (a) making a total of \$105,000 cash payments (of which \$15,000 has been paid) to the Optionor, as follows:
 - (i) \$15,000 within 10 days after the execution of the Olivine Option Agreement (paid);
 - (ii) \$20,000 within 10 days after the Effective Date;

- (iii) \$20,000 within six-months of the Effective Date;
 - (iv) \$25,000 within 12-months of the Effective Date; and
 - (v) \$25,000 within 18-months of the Effective Date,
- (b) issuing 200,000 Common Shares within 10 days of the Effective Date; and
- (c) incurring minimum exploration expenditures on the Olivine Property of not less than an aggregate of \$300,000 according to the following schedule:
- (i) \$100,000 within 12-months of the Effective Date; and
 - (ii) an additional \$200,000 within 24-months of the Effective Date.

The 2% NSR Royalty is payable to the Optionor on all material containing a mineral or minerals of commercial economic value mined from the Olivine Property on commencement of commercial production in accordance with the provisions of the Olivine Option Agreement. The Company may purchase the NSR Royalty from the Optionor for cash payments of \$1,000,000 per each 1% of the NSR Royalty.

The Company may terminate the Olivine Option Agreement at any time on notice to the Optionor prior to exercise of the Option. The Olivine Option Agreement will terminate if the Company fails to make any payments, issue any shares or complete any exploration expenditures by the dates set out in the Olivine Option Agreement, and any such failure persists for more than 30 days following the due date for any such payment, issuance or expenditure, or if the Effective Date has not occurred by December 31, 2018.

Pursuant to the Olivine Option Agreement, the Company shall act as the operator with respect to all exploration work to be carried out on the Olivine Property during the term of the Olivine Option Agreement.

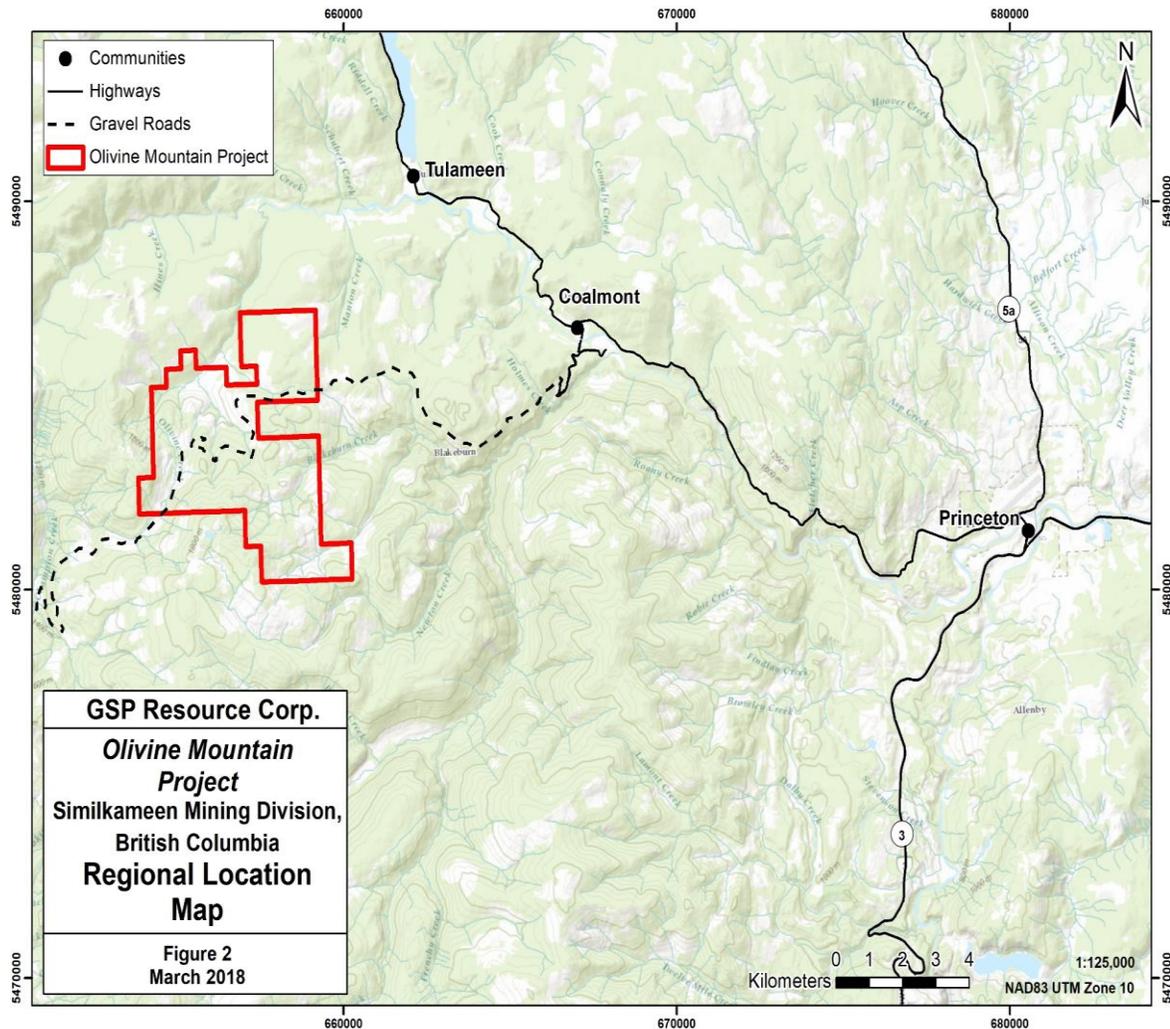
The following information has been excerpted from the Olivine Report, a technical report prepared in accordance with NI 43-101 titled "Technical Report on the Olivine Mountain Property, Similkameen Mining Division, British Columbia" prepared by the Author, John R. Kerr, P. Eng., a Qualified Person, dated effective June 15, 2018. During the period of the Offering, the Olivine Report is available at the registered office of the Company, 1610 - 777 Dunsmuir Street, Vancouver, British Columbia V7Y 1K4, where it may be examined during normal business hours and on the Company's profile on SEDAR at www.sedar.com. Certain maps and figures are not included in the Prospectus, but they may be viewed in the Olivine Report. The following information has been revised in respect of certain references. Prospective purchasers are encouraged to read the Olivine Report in its entirety.



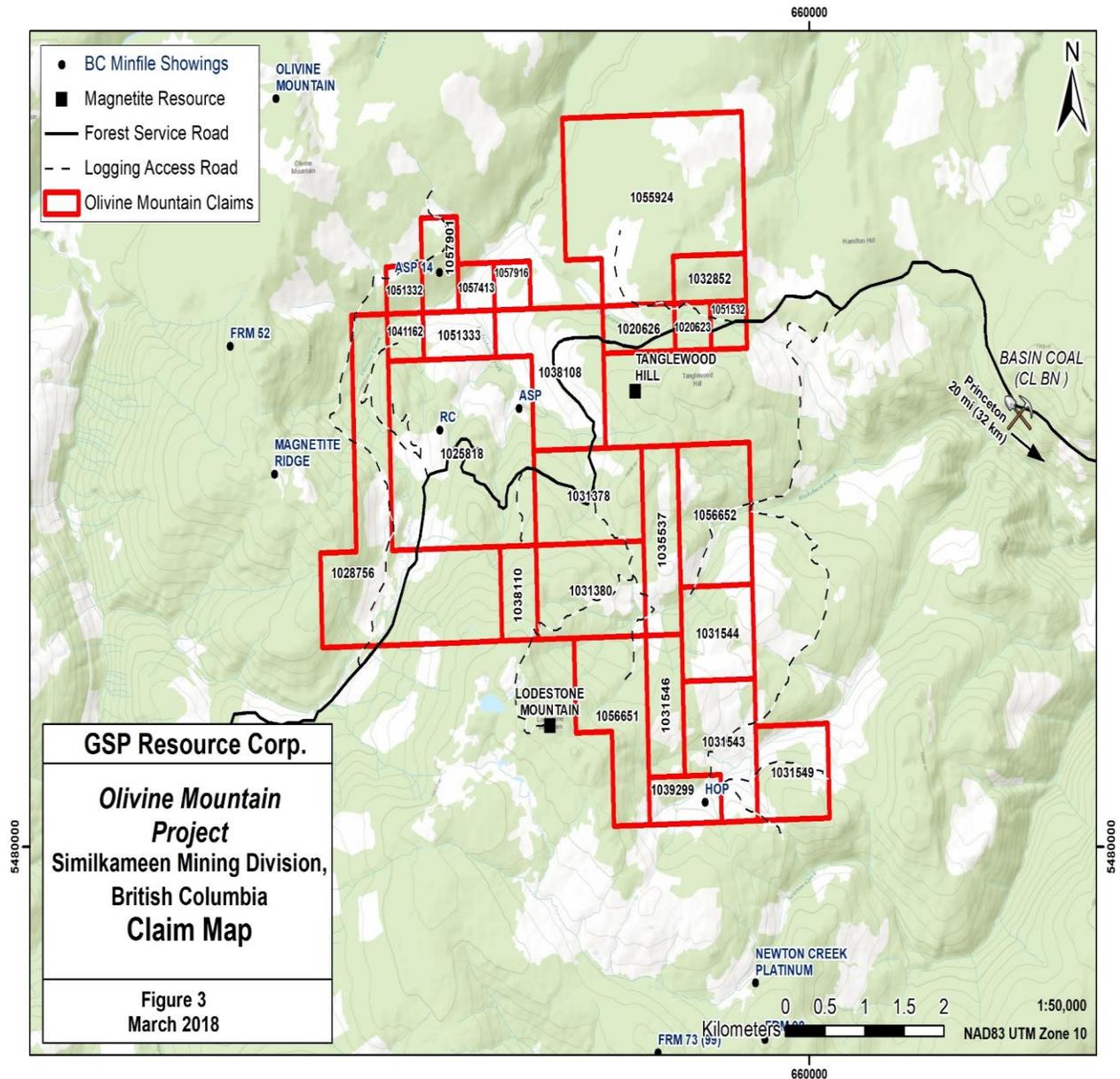
Property Description and Location

Mineral tenures in British Columbia are acquired through an internet-based mineral titles administration system. It is assumed, therefore, that the Olivine Property is precisely as shown on the province's mineral tenure map and displayed in Figure 2. The tenures are for mineral rights only and do not include surface rights. Under the current *Mineral Tenure Act*, maintaining a mineral tenure (claim) in B.C. for the first two years after issuance requires annual exploration expenditures of \$5.00 per hectare. Required annual exploration expenditures increase incrementally every 2 years as follows:

- Years 3 and 4; \$10.00 per hectare per year
- Years 5 and 6; \$15.00 per hectare per year
- Year 7 and beyond; \$20.00 per hectare per year



The Olivine Property consists of 25 contiguous mineral claims located in the Similkameen Mining Division, British Columbia, in compliance with the regulations of the Ministry of Energy, Mines and Petroleum Resources (MEMPR) of the Province of British Columbia, comprising 2455.54 hectares (see Figure 3 for details). Placer mineral rights are not included with the Olivine Property.



The Olivine Property is located in the Interior Plateau area of South Central British Columbia, 25 kilometers northwest of Princeton. The Olivine Property is located in NTS sheets 92H/07 and 92H/10, and has geographic coordinates 49 degrees 28 minutes north and 122 degrees and 50 minutes west. The Olivine Property is situated 8 kilometers west of the village of Coalmont.

Surface rights do not directly affect the Olivine Property. Several private lots are located at Coalmont and Tulameen, along the main Tulameen valley 7 km north and east of the Olivine Property. There are no land tenure conflicts that would affect the ability to perform normal exploration and mine development work. There are no areas designated as protected and are not available for claim location in the vicinity of the claims.

There are no other known risks that may affect access, title or right to perform work on the Olivine Property.

All of the claims are recorded in the name of Platinum Belt Resources Inc., the Optionor, a company controlled by Michael Adam. The Optionor entered into the Olivine Option Agreement dated February 23, 2018 with the Company, whereby the Company can earn a 100% right, title and interest in the Olivine Property by paying \$105,000, issuing 200,000 shares to the Optionor, and completing \$300,000 of valid exploration expenditures within two years of the Effective Date. The claims are subject to the NSR Royalty, all of which can be purchased at any time by the Company for \$2 million (\$1,000,000 per each 1% of the NSR Royalty). All payments and other terms within the Olivine Option Agreement are current. The following is a list of the twenty-five claims, with pertinent information regarding title, ownership, current term and size:

Tenure No⁽¹⁾	Name	Area (h/a)	Expiry Date⁽¹⁾
1020623	(no assigned name)	20.98	2021/June 28
1020626	(no assigned name)	41.96	2021/June 28
1025818	OLIVINE MOUNTAIN	335.79	2022/June 28
1028756	OLIVINE WEST	314.85	2021/June 28
1031378	OLIVINE EAST	125.93	2022/June 28
1031380	OLIVINE EAST	125.95	2021/June 28
1031543	HOP	104.99	2021/July 30
1031544	HOP 2	83.97	2021/July 30
1031546	HOP 3	62.99	2021/July 30
1031549	HOP 4	84.00	2021/July 30
1032852	(no assigned name)	41.96	2021/Aug 30
1035537	(no assigned name)	83.96	2021/Aug 30
1038108	OLIVINE EAST	146.89	2022/June 28
1038110	OLIVINE EAST	41.98	2021/Aug 28
1039299	HOP	42.00	2022/Jan 28
1041162	OLV FRAC	20.98	2022/June 28
1051332	(no assigned name)	20.98	2021/Sept 28
1051333	(no assigned name)	41.96	2021/Sept 28
1051532	TANGELWOOD	20.98	2021/Sept 28
1055924	SLATE 1	356.61	2021/Aug 25
1056651	HOP SOUTH	125.98	2021/Aug 25
1056652	HOP EAST	125.93	2021/Aug 25
1057413	OLIVINE EXT	20.98	2021/June 28
1057901	PLATINUM SUNSET	41.96	2022/June 28
1057916	OLIVINE 2	20.98	2021/July 30
TOTAL		2455.54	

(1) Expiry dates are as documented at Mining Recorder's records on June 14, 2018.

(2) All claims held under current Cell Grid System (CGS - online paper staking).

There are no permits required to complete the proposed exploration program.

Accessibility, Climate, Infrastructure and Physiography

The Tulameen highway follows the Tulameen River and is located 7 km north of the Olivine Property. Access to the Olivine Property is a well-maintained gravel road leaving this road at Coalmont approximately 15 km northwest of Princeton. This road leads south and west to branch spur logging roads that provide access to all areas of the Olivine Property (See Figures 2 and 3 for detail). Some of these roads are in need of minor repair. All access roads are open to public, and require no special permits for use.

The terrain on the Olivine Property is moderate to steep, with rolling topography cut by steep river valleys. Total property relief is about 400 meters, ranging from 1400 meters in the eastern and northwestern portion of the Olivine Property to 1820 meters near the peak of Lodestone Mountain in the southwest

corner of the Olivine Property. Forest cover was originally nearly complete, made up of mixed fir, balsam, spruce, pine and small local aspen groves. A large portion of the claim area has been clear cut logged within the last several decades. There are many small streams, some of them ephemeral.

Climatic conditions are typical of the southern interior regions. Summers are warm and generally dry; winters are cold but snowfall is light to moderate. Most of the Olivine Property is snow-free from May to November. Normal surface exploration and drilling programs should be completed during this period. Development drilling and mine development can be completed over a longer period of the year, and mining can be accomplished 12 months of the year.

Infra-structure, including power, water, and labour are all located within a radius of 50 kilometers of the p Olivine Property in the small interior cities and towns. The nearest center with significant population is Princeton which provides services and labor common to the mining industry. Major centers are in the Okanagan Valley, 125 kilometers to the east and Vancouver, 175 kilometers to the west.

The Olivine Property is well-facilitated for all aspects of a mining operation, including adequate areas for plant, waste and tailing disposal, and other recovery designs. There are no apparent environmental concerns. Large-scale mining is common to the area, as the world class mines of the Similco mine is located 25 kilometers to the southeast and the mines of the Highland Valley are situated 110 kilometers to the north.

History

Extensive mineral exploration has been carried out in the Tulameen area of British Columbia over the past 170 years. Of significance is the Tulameen Coal deposit located south of the town of Coalmont.

During the late 1800's the Tulameen District was the most important producer of platinum in North America. Platinum was recovered along with the placer gold from the Tulameen River and its tributaries. The platinum occurred as a fine, hard, silver-white lustrous metal with a high specific gravity in the sluice boxes and gold pans, along with the gold and heavy concentrations of black sands (magnetite and chromitite). Total platinum production from the alluvial operations was estimated to be approximately 20,000 ounces from the area between 1885 and 1934 (O'Neil and Gunning. 1934).

Since the presence of semi-massive magnetite was discovered on Lodestone Mountain in the early 1900's, the area has been staked numerous times and early, unrecorded, exploration is indicated by many old trenches on the Olivine Property. A chronological history is as follows:

1954 - 1955: United States Steel Corporation conducted a dip-needle survey and carried out an exploration program of drilling and trenching.

1962 – 1970: Imperial Metals and Power Limited conducted a series of exploration programs on the Olivine Property and completed a ground magnetometer survey, trenching, and a total of 1,600 feet of drilling in 60 holes. Imperial Metals commissioned Wright Engineers Ltd. to conduct a preliminary feasibility study, investigating mining iron at Lodestone Mountain. Imperial provided historical resource estimates for Lodestone Mountain of 227 tonnes @ 14.8% magnetite and for Tanglewood Hill of 2,848,000 tonnes grading 16.4 per cent (inferred), including 54,000 tonnes @ 57% magnetite. Neither deposit occurs on the Olivine Property, however are within 500 meters of its boundary. It is reported that some exploration holes were drilled by various operators during this period in search for magnetite. Historical resource estimates are referenced in minfile data of the MEMPR and the Author has not verified this data. There is insufficient data or technical report available to the Author to provide this verification, as the data is property of the owners of the deposits and has not been made public. The information is not necessarily indicative of the mineralization on the Olivine Property that is the subject of the Olivine Report.

1973: Dominion Foundries and Steel Ltd. (Dofasco) optioned the Lodestone property from Imperial Metals md Power. Dofasco completed nine diamond & ill holes and 17 percussion holes for a total of 10,562 feet of drilling.

1984 – 1987: Imperial Metals Corporation commenced evaluation of the platinum group element (PGE) potential of the Olivine Property and area. The area was re-mapped and prospected. Silt and concentrate samples were collected from streams draining the Olivine Property and rock samples were collected and analyzed for platinum, palladium and gold. Imperial undertook a program of soil geochemistry in 1987. Sixty three kilometers of grid line were established and 1,221 soil samples were collected. Grid lines were spaced 200 meters and soil samples were collected at 50 meter intervals along the line and analyzed for gold, platinum, palladium and rhodium. Portions of these surveys cover the existing Olivine Property.

1987 – 1989: Inter Canadian Development Corp. optioned the Lode I, III and IV claim groups in the northwest portion of the Olivine Property. Soil, silt and rock-chip sampling and a magnetometer survey was completed on the Olivine Property.

1989 – 1993: Tiffany Resources Inc. entered into an option agreement with Imperial Metals Corp. Ten diamond drill holes, totaling 1225 meters, were drilled in 1990 and 1991, samples analyzed for platinum group elements. The holes were drilled into the areas of anomalous PGE's in soil. No platinum group anomalies were detected in the drill core. It is believed that all ten exploration holes were drilled in the southern portion of the Lodestone Mountain property, however one of these holes may be on the existing Olivine Property. In 1993, PBK Engineering Ltd was contracted by Tiffany Resources to complete a preliminary evaluation of the Lodestone iron deposit.

1998 – 2000: Aboriginal Investments acquired a 100% interest in claims BJP I, 2 and 3. In the western portion of the Olivine Property and conducted rock-chip and soil sampling, reporting values ranging to 315 ppb Pt and 633 ppm Ni and anomalous Au and Cu. Trenching was completed over existing coincidental geophysical and geochemical anomalies. Sampling returned values up to 1.5% Cu, 50 ppb Au, 4600 ppb Ag and 30 ppb Pd in the cumulate pegmatite and in narrow, copper-rich quartz veins.

2001 - 2003: Bright Star Ventures Ltd. acquired a large portion of the Tulameen Batholith from the northern to southern extremities, excepting the magnetite resources at Lodestone Mountain and Tanglewood Hill. In 2001, Bright Star completed a wide-spaced 367 kilometer airborne magnetic and EM survey over the entire Tulameen mafic/ultramafic body. Line spacing was 300 meters with some detailed 150 meter spacing in the area of Olivine Mountain. In 2002 and 2003, Bright Star completed extensive grid work on the Buck claims in the eastern portion of the Olivine Property and on two small grids on the BHP claims in the western portion of the Olivine Property. In total, 2300 soil samples were collected and 10 kilometers of IP survey were completed. All samples were analyzed for Cu, Ni, Au, Pt and Pd. IP survey was completed on one small grid in the western portion of the Olivine Property. It is verbally reported that Bright Star drilled one diamond drill hole into an IP anomaly, results not reported or maintained.

2003 – 2004: Sargold Resource Corp optioned the Lodestone property and drilled 1069 metres in 15 holes. A revised resource calculation compliant with NI 43-101 given as 2,035,000 tonnes grading 24.33 per cent magnetite was defined by the drilling program (Assessment Report 27520). The resource is reported to be in the measured mineral resource category based on the close drill hole spacing. It is uncertain the relationship of this resource estimate to the resource estimates of the 1970s.

2005 – Present: No reported work has been completed on the Olivine Property.

The Olivine Report integrates the historical work and the results of an airborne geophysical survey completed by the Company in May, 2018.

Regional Geology

The Olivine Property lies in the Intermontane Belt of the (southern) Canadian Cordillera. This area is dominated by the early Jurassic Tulameen Alaskan-type mafic/ultramafic complex intruding Triassic volcanic rocks of the Nicola Group. To the west is a large granitic intrusion of Jurassic age and to the east is a mid-Tertiary sedimentary complex, hosting potentially economic coal deposits.

Property Geology

The geology of the claim area is shown on Figure 4. Much of claim area is covered by glacial silts, till, and gravel.

Except for the northeast corner of the Olivine Property, the claims are underlain by rocks of the Alaskan-type Tulameen Mafic/Ultramafic Complex. The mafic and ultramafic rocks were emplaced into metasedimentary and intermediate metavolcanic rocks belonging to the Upper Triassic Nicola Group during a late Triassic deformational event. This volcanic assemblage evolved during the Late Triassic arc magmatism, and these rocks are considered to be co-magmatic with the rocks of the Tulameen mafic-ultramafic suite. The Tulameen Complex and its host rocks are thought to be unconformably overlain by sedimentary and volcanic assemblages of the Early Tertiary Princeton Group and Miocene plateau basalts.

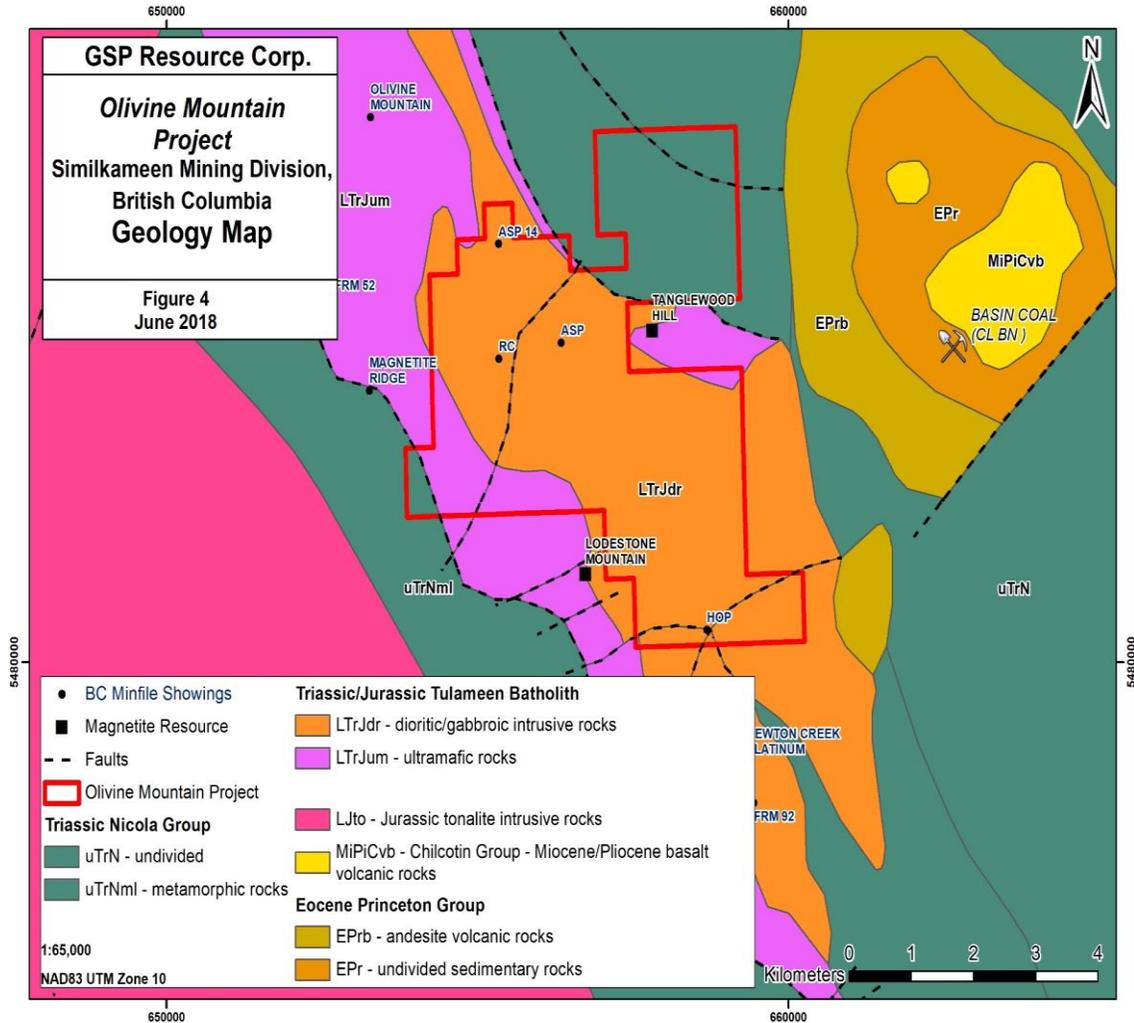
Regional structures trend roughly north-northwest and are characterized by southwest dipping foliation that parallels the eastern margin of the Eagle Plutonic Complex (Eagle Shear Zone). The Eagle Shear Zone is related to Middle - Late Jurassic contracting deformation. The Tulameen Complex forms an elongate body along the eastern margin of the shear zone and is concordant with the regional structural grain.

The principal mafic and ultramafic units of the Tulameen Ultramafic complex are comprised of dunite/peridotite, olivine clinopyroxenite, hornblende clinopyroxenite, and gabbroic to dioritic rocks.

Dunite is generally restricted to the northern portion of the complex, at Grasshopper and Olivine Mountains and is not known to occur on the property. Concentrations of massive chromite appear to be randomly distributed within dunite as discrete layers and irregular masses. Associated with the chromite are microscopic grains of platinum. Olivine pyroxenite envelops the dunite core and extends southwards along the complex central axis and in the western margins of the property. Hornblende clinopyroxenite generally occurs at the periphery of the complex; continuous along the western margin of the complex, however more discontinuous along the east and within outcrops mapped on the property. Massive magnetite mineralization is associated with hornblende clinopyroxenite at Lodestone Mountain and at Tanglewood Hill.

The main mass of gabbroic rocks is distributed on the eastern side of the complex and forms the major rock-type of the property. Gabbroic rocks are commonly in direct contact with olivine clinopyroxenite in the north. Syenodiorite is confined to the southwestern margin of the complex where it is unconformably overlain by Princeton Group sediments.

The Olivine Property is underlain by all of the major rock units of the Tulameen Mafic/Ultramafic Complex with the exception of dunite. Mapping is incomplete due to the extensive amount of overburden cover on the Olivine Property, and much of the geology has been extrapolated from limited bedrock exposure.



Mineralization

Several mineral showings are identified on the Olivine Property, however only two could be examined by the Author due to extensive snow cover (4 – 10 inches) at the time of the site examination. The Asp 14 and RC Showings were examined during the November 1, 2017 site visit. The Asp and Hop showings could not be accessed. Michael Adam identified several other areas of mineralization, however could not be examined due to snow. The following is a brief description and summary of sampling of each showing area:

- 1) **The RC Showing:** The RC showing (Minfile 092HSE141) is exposed in a road cut 25 kilometers west northwest of Princeton and 11 kilometers west of Coalmont and was examined by the Author on November 1, 2017. The rock was observed as a medium grained, partially altered olivine pyroxenite of the Tulameen mafic/ultramafic complex. One sample was collected by the Author from the road cut area, confirming significant content of gold and palladium and anomalous contents of platinum and copper.

Minfile reports that Bethlehem Copper Corp. controlled the area of the showing during the period 1968 – 1970, exploring for and developing magnetite. They completed a magnetometer program and drilled two short holes totaling 183 meters. Results are not reported.

- 2) The Asp 14 Showing: The Asp 14 showing (Minfile 092HNE201) is exposed in an old road cut approximately 1.8 kilometers north of the RC showing and was examined by the Author on November 1, 2017. The rock was observed as a partially altered fine – med grained olivine gabbro of the Tulameen mafic/ultramafic complex. Minfile reports grab and selected samples from the showing report 2 – 4% copper. One sample was collected by the Author from the road cut, confirming the presence of significant contents copper, gold and palladium and anomalous contents of platinum, nickel and cobalt.
- 3) The Asp Showing: The Asp showing (Minfile 092HSE095) is located 1.2 kilometers east of the RC Showing and could not be examined by the Author due to access and excessive snow. The rock is describes as an olivine gabbro of the Tulameen mafic/ultramafic complex. The Minfile summary reports 3.51% copper and 11 ppm silver over a sample width of 3.4 meters.
- 4) The Hop Showing: The Hop showing (Minfile 092HSE039) is located in the southern extremities of the property 4.5 kilometers southeast of the RC Showing and could not be accessed due to snow. The showing is described as sporadic chalcopyrite over an outcrop length of 35 meters, in altered syenite of the Tulameen mafic/ultramafic complex. Minfile reports a selected sample of high-grade chalcopyrite stringer assayed 23.0 grams per tonne gold, 89.5 grams per tonne silver and 7.49 per cent copper.

The following table describes the two samples collected by the Author on November 1, 2017 from the RC and Asp 14 Showings:

Sample Number	Geographic Coordinates	Sample Description	Analytical Data
S-01	5483600N; 657312E	RC Showing: Med grained olivine pyroxenite of Tulameen intrusion. >5% sulphides py, cpy, pyrr, born, and mal. Chip sample/3m	1848 ppb gold 107 ppb platinum 971 ppb palladium 6804.8 ppm copper 9.3 ppm nickel 24 ppm cobalt
S-02	5485799N; 655076E	Asp 14 Showing: Fine grained olivine gabbro of Tulameen intrusion. Strong malachite with cpy and py. Chip sample/2m	339 ppb gold 24 ppb platinum 1572 ppb palladium 4.74% copper 54.3 ppm nickel 58.7 ppm cobalt

Samples S – 01 and 02 collected by the author November 1, 2017 (Coordinates read as NAD 83)

Several other areas of exploration interest are noted in the area and on the Olivine Property, however deep overburden has limited the success of historical exploration. Magnetite resources are reported on the Lodestone and Tanglewood properties within 500 meters of the Olivine Property boundary and are identified as concentrations of magnetite in contents ranging 24 – 57% magnetite.

Deposit Types

The geological environment is suited to host two different types of mineral deposits:

- 1) Massive sulphide (Cu, Ni, Au, Pt, Pd, and Co) deposits in concentrically layered mafic/ultramafic rocks of the Tulameen batholith. The deposits would be due to differential settling of metals during the crystallizing phase of the intrusion. Deposits are related to typical massive copper and

nickel deposits in mafic complexes such as at Voisey's Bay (Labrador, Canada) and Norilsk (Russia).

- 2) Massive magnetite deposits similar to Lodestone Mountain and Tanglewood Hill.

Exploration

Pre – 2018 Exploration Programs:

Exploration programs were conducted on the Olivine Property during the period 1965 – 2015 by several unrelated operators, and are detailed in the "History of Exploration" and "Drilling" sections. In summary, 10 or 11 drill holes were completed on the Olivine Property totaling some 1250 meters. Considerable geochemistry, geophysical and geological mapping programs were also completed on small local grids in many areas of the property. Results of all programs are well documented as assessment reports. Most historical work of any significance was completed in the vicinity of the Lodestone Mountain and Tanglewood Hill magnetite deposits.

All historical data collected on the Olivine Property existing as assessment reports at the MEMPR library, has been reviewed in detail by the Author. The following summarizes the Author's opinion and conclusions of historical data:

- 1) Most work was very well done by very competent exploration teams.
- 2) Historic drilling has not indicated the presence of an economic mineral resource on the property.
- 3) The principle targets for exploration are massive copper/nickel, with gold, platinum and palladium deposits in the Tulameen ultramafic complex, similar in nature to the Voisey's Bay and Norilsk mine located in Labrador and Russia respectively.
- 4) It is the Author's opinion that ongoing work programs should focus in other areas of the Olivine Property that have had rather limited exploration, guided by interpretation of airborne geophysical survey, and focusing on mafic rocks of the Tulameen ultramafic complex.
- 5) Historical drill hole data and locations are well-documented in government assessment reports, and report no significant content of mineralization.

2018 Field Program

In April 2018, the Company commissioned a 370 line kilometer airborne geophysical survey to Balch Exploration Consulting Inc. (BECI) of Rockwood, Ontario. The survey covered the northern portion of the property and was flown on lines spaced 50 m apart. Collected data included magnetic (total magnetic intensity) and a TEM survey.

The purpose of the survey was to determine the geophysical signatures over known mineralized showings, to detect other areas of potential mineralization, and to provide data that may be useful in the interpretation of geology, including lithologies, structures and alteration zones. The interpretation of magnetic data is useful for understanding lithologies and structures as well as identifying potential massive magnetite deposits. The interpretation of electromagnetic data is useful in identifying areas of deep-seated massive sulphide bodies as well as interpreting major structural features.

The survey system includes a total field magnetometer located at the end of a boom and fixed to the helicopter. In addition to the magnetometer other ancillary equipment is required to properly locate the helicopter and its distance above ground. The survey system is described below in more detail.

The total field magnetometer is based on the Scintrex Limited CS-3 cesium sensor. These sensors offer a low effective noise level for total field measurements. The sensor is mounted on a 3 m long boom attached to the helicopter. The in-line gradient is calculated from successive measurements of the total

field given the fact that measurements along the flight line are acquired at 3 m intervals and are free from heading error.

The electromagnetic system used was developed by Triumph Instruments (Triumph) and is known as AirTEM_{TM}, a helicopter time domain electromagnetic (HTEM) system that is designed for mineral exploration, oil & gas exploration and geologic mapping. AirTEM_{TM} is based on the concept of a concentric transmitter and receiver geometry originally developed by Aerodat Limited.

The Triumph Instruments AirTEM_{TM} (TS-150) system features an 8.5 m diameter transmitter weighing approximately 500 Kg and producing up to 150,000 Am² in transmitted power. The system records the full waveform and “X”, “Y” and “Z” coil measurements for improved interpretation of complex conductor responses.

Lines were spaced at 50 meters intervals and oriented in an east/west direction. This direction crosses the major structures of the project area and was considered the best optimum survey orientation for the Olivine Property.

The survey data were processed and compiled in the BECI office. Map products were provided indicating magnetic and electromagnetic data, all with lineament and structural interpretation. The full comprehensive geophysical report by BECI, dated May 31, 2018 is the basis of this interpretation.

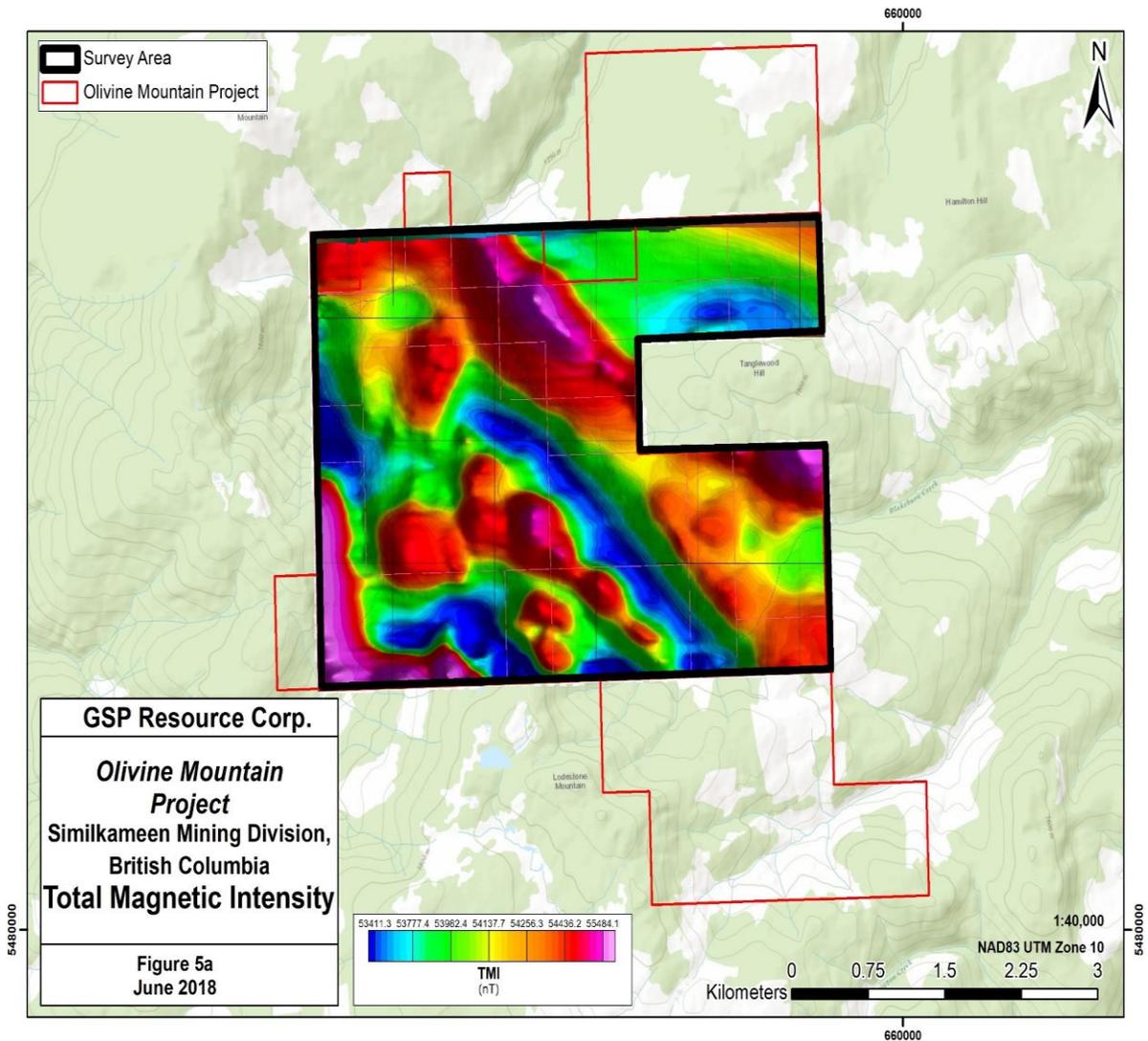
Four geophysical maps are included with the Olivine Report. Figures 5a represents the Total Magnetic Intensity (TMI) and Figure 5b represents the Horizontal Magnetic Figures 5b and 5c show the electromagnetic crossover picks on lines in the south-central portion of the survey area. Figure 5d represents conductive/resistivity over the entire survey area, and indicates potential conductive bodies.

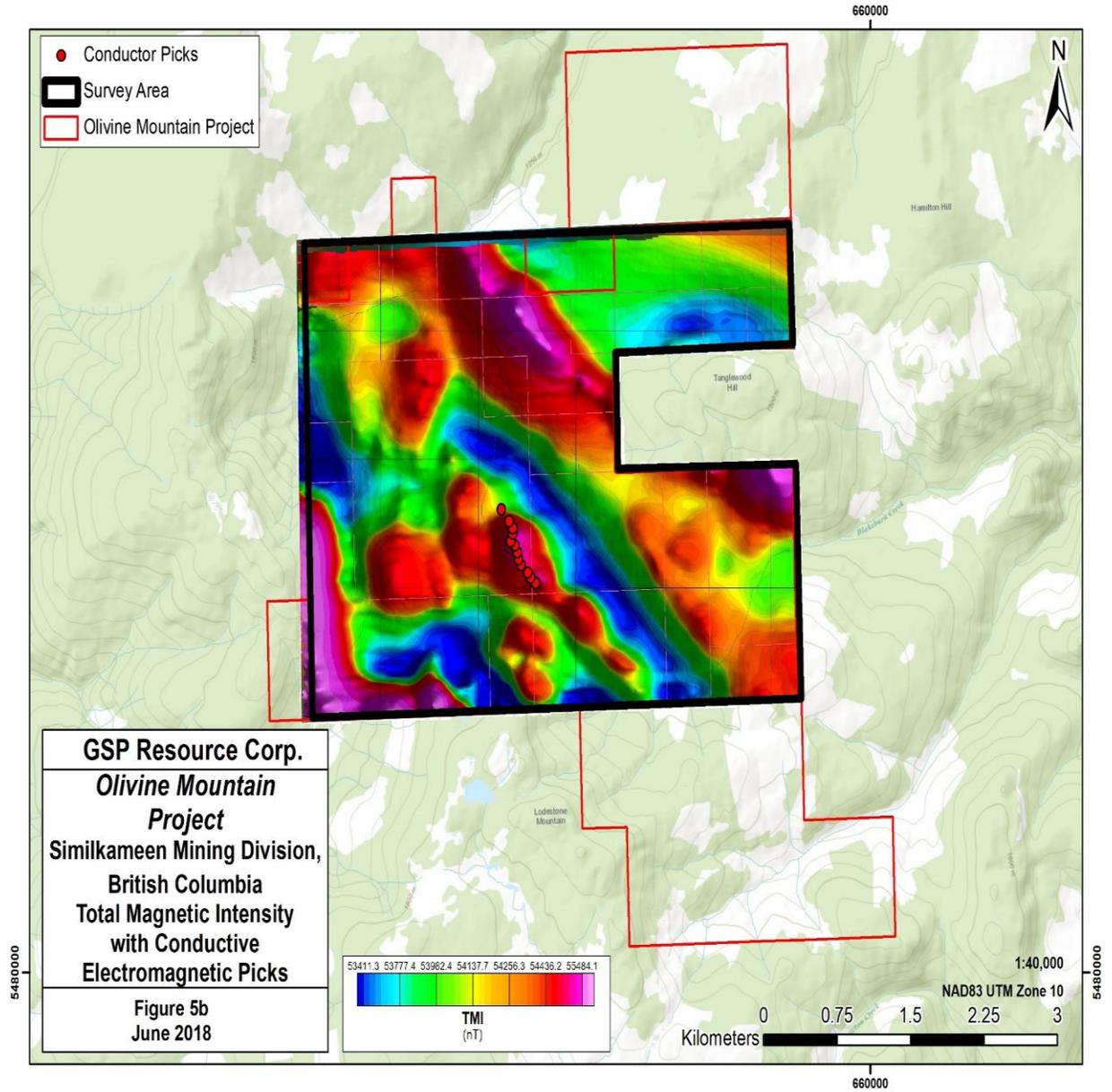
2018 Program Results

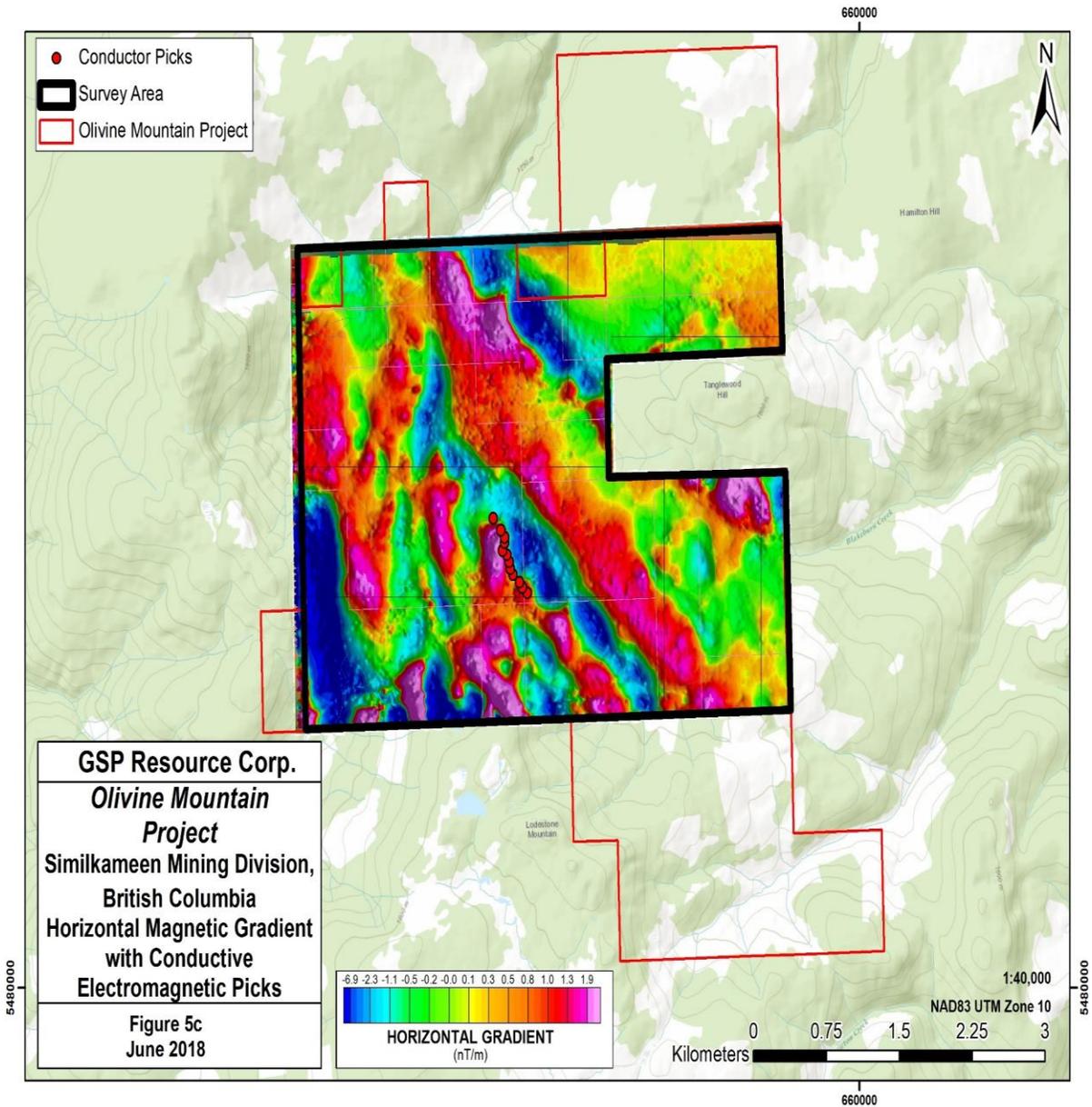
The resolution and clarity of data from the airborne geophysical survey has given credence to a revised interpretation of potential mineralized targets within the Tulameen Batholith and the Olivine Property boundary. There is a reasonable correlation of the geophysical elements to the known mineral occurrences, and a good correlation of geophysical elements to geological features. Therefore this data provides a reasonable ability to focus on areas with good exploration potential. The following summarizes the combined interpretations of BECI (Stephen Balch), and the Author:

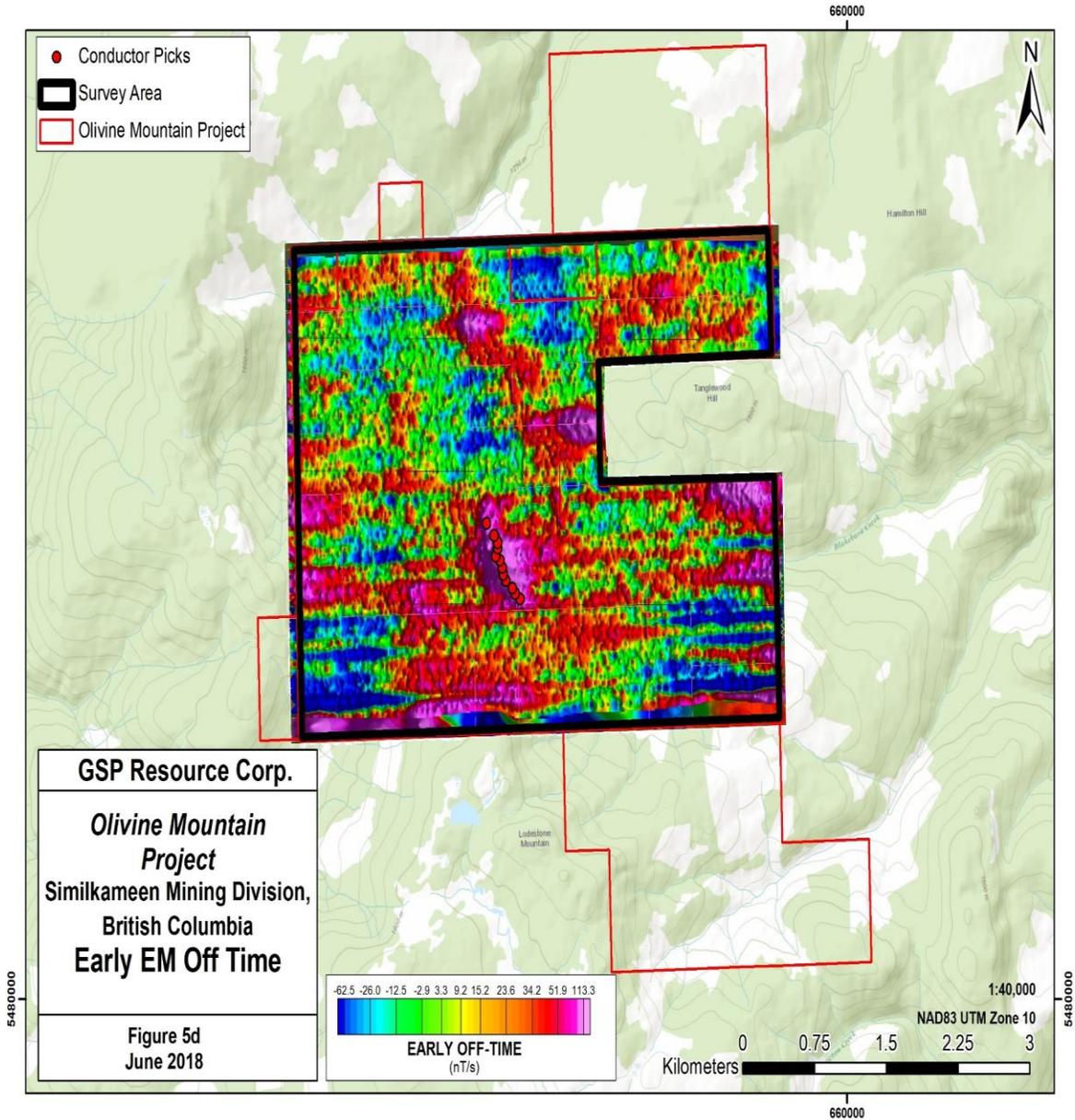
- 1) The two main lithologies of the Tulameen Batholith are identified on the TMI map. The ultramafics (pyroxenite and dunite) are shown in the eastern and western portion of the surveyed area by high magnetic intensity. It is within these areas that the Lodestone Mountain and Tanglewood Hill magnetite deposits occur. The diorite and gabbro occupy the central portion of the Olivine Property, where the magnetic response is less intense.
- 2) The known showings on the Olivine Property are in intermediate to mafic rocks of the Tulameen Batholith. Three are located within the northern portion of the survey area and the fourth showing is located outside the survey area in the southern part of the Olivine Property. One showing is associated with a magnetic high, and the other two showings are associated with magnetic lows.
- 3) It is believed that the magnetic highs within this central portion are associated with gabbros. These highs are lineaments oriented in a NNW direction similar to the main trend of the batholith.
- 4) The most interesting magnetic anomaly is approximately 700 – 800 meters south of the known showings. It is a 1500 x 900 meter magnetic anomaly with a well-defined ridge feature.
- 5) Superimposed on this magnetic anomaly is a strong conductive body with dimensions of 1000 x 900 meters. The cause of this anomaly is unknown however it could be magnetite, sulphides or a combination of both. The fact that it is associated with a magnetic anomaly suggests that magnetite plays a significant role.

- 6) Superimposed upon both the magnetic anomaly and conductive body are an alignment of crossover picks along the ridge of the conductive body, approximately 750 meters long. This is not an overburden feature and is believed due to moderate content of sulphides. It is possibly the cause of the main conductive body.
- 7) The coincident magnetic and conductive body as well as the alignment of crossover picks places this area of the Olivine Property as a high priority target for further exploration.
- 8) There are three other areas of strong magnetic response in the survey area. The lineal anomaly in the northeastern portion of the Olivine Property is probably due to an ultramafic band that hosts the Tangelwood magnetite deposit. Causes for the other two anomalies are unknown however may have similar features to the main exploration target.
- 9) Six additional conductive bodies have been interpreted from the electromagnetic survey. Two are associated with the strong magnetic anomaly and may reflect bodies of magnetite similar to Tangelwood Hill. Three bodies have characteristics similar to the main exploration target. The fourth conductive body in the northwest corner of the survey area is underlain by rocks of the Nicola volcanics and may represent sulphide mineralization in the contact phase of the Tulameen batholith.









Drilling

All drilling on the Olivine Property is historical and is detailed in the “History” section. The following summarizes these drill campaigns and results.

It is believed that very few diamond drill holes have been drilled on the Olivine Property. Tiffany Resources Inc. completed 10 diamond drill holes totaling 1250 meters in 1989 and 1990 exploring for platinum and palladium on the Lodestone Mountain property. Results for gold, platinum and palladium are reported to be of no economic interest. It is reported that one diamond drill hole was drilled by Bright Star Ventures Ltd. on an IP anomaly in the vicinity of the ASP showing, however no documentation, assays or details of this hole are available. It is assumed the results are of little economic interest.

As records of historical drilling were not documented, the quality of drilling and sampling is not known.

Sample Method and Approach

As the records of early sampling and drill programs cannot be reviewed in detail at this time, the results cannot be used for future resource estimates. Descriptions provided of the 1991 diamond drill programs appear conventional and of good quality. The quality of reported 1990 results is unknown.

Sample Preparation, Analysis and Security

Details of the 1990 diamond drill programs are summarized as follows. 38 samples from selected intervals of the core was split and shipped to Acme Laboratories in Vancouver for sample preparation, and analysis. Gold content was determined by normal assay procedures and a 30 element ICP analysis was completed on all samples, including gold. Results for Ni, Cu, Co and Au were of no economic significance. A short interval in one of the holes indicated a strongly anomalous section of chromium. These samples were assayed for gold, platinum, palladium, and rhodium. Details of the 1989 drill program are not available.

The samples collected by the Author in 2017 were submitted to the laboratories of Bureau Veritas (formerly Acme Analytical Laboratories Ltd.) in Vancouver, B.C. for MS-1DX analysis of 36 elements, including gold, platinum and palladium. A description of these samples is included in the Mineralization Section of this Prospectus and analytical results are included as Appendix A in the Olivine Report. The analytical results presented by the laboratory document the processes used.

Data Verification

The assay and analytical data presented in old assessment reports are only partially complete, and cannot be verified at this time. Analytical results are presented by lab sheets prepared by competent and qualified laboratories (of today's standards) and are believed to be reliable. However, as results are only partially complete, they will never be permissible for resource estimates.

Only two mineral showings could be examined by the author due to extensive snow cover (4 – 10 inches) at the time of the site examination. The Asp 14 and RC Showings were examined during the November 1, 2017 site visit. The Asp and Hop showings could not be accessed.

A meeting was convened on June 8, 2018 with Mr. Steve Balch, President of Balch Engineering Consulting Inc. (BECI) and geophysicist, and the Author to review the geophysical data, collection and interpretation. The discussion was very detailed in reviewing methodology of the airborne geophysical system as it pertains to the quality of data collected. From these discussions, the Author was satisfied that the magnetic and electromagnetic data is verified and is of high quality. Mr. Balch compiled all of the data and authored the geophysical report.

Adjacent Properties

Extensive mineral exploration has been carried out in the Tulameen and Similkameen valleys since discovery of gold and platinum in placers of the Tulameen River in the 1850s. Claims have covered the entire area of the Tulameen batholith since the late 1800s. Previous mineral production has come from several placer mines on the Tulameen River and tributaries. There is no reported production of gold, platinum or palladium from bedrock sources.

Claims exist adjacent to the Olivine Property on the north, northeast, west, and southwest boundary of the Olivine Property. Principle owners are Andras Kikauka and John Bakus who collectively own the Lodestone Mountain and Tanglewood Hill magnetite deposits, North America mining Inc., who owns a large portion of Olivine Mountain and Juliana Grace Silverstone who owns significant holdings near Tanglewood Hill and to the north of the Olivine Property.

Resource estimates are provided for Lodestone Mountain of 227 tonnes @ 14.8% magnetite and for Tanglewood Hill of 2,848,000 tonnes grading 16.4 per cent (inferred), including 54,000 tonnes @ 57% magnetite. Neither deposit occurs on the Olivine Property, however are within 500 meters of its boundary. It is reported that some exploration holes were drilled by various operators during this period in search for magnetite. Historical resource estimates are referenced in minfile data of the MEMPR. The Author has

not verified this data. There is insufficient data or technical report available to the Author to provide this verification, as the data is property of the owners of the deposits and has not been made public. The information is not necessarily indicative of the mineralization on the Olivine Property that is the subject of the Olivine Property.

Pacific West Coal Ltd. owns a large claim and lease holding 3 – 7 kilometers east of the Olivine Property covering most of the known coal resource in the Eocene sedimentary basin.

Mineral Processing and Metallurgical Testing

There is no documented history of metallurgical testing on mineralized rock collected from the Olivine Property.

Mineral Resource Estimates

There are no documented reports of mineral resource estimates ever being completed on the Olivine Property. A mineral resource has not been confirmed by sampling or drill testing.

Interpretation and Conclusions

A mineral resource has not been discovered on the Olivine Property. For this reason, the Olivine Property is considered an early stage exploration project, with potential of discovering a resource. There are no documented drill or trench sample results that would indicate the presence of economic concentrations of mineralization over substantial areas.

For this reason, a grass-roots approach to exploration is being recommended for ongoing work on the Olivine Property, based mainly on the magnetic results of the airborne geophysical survey. Some of the recommended work overlaps earlier programs, however it would be impossible to correlate results of older programs into a new grass-roots approach. Previous exploration in other areas of the Tulameen Batholith has identified the potential geologic setting for a substantial Cu(Ni)/PGM/Au resource.

The airborne geophysical survey provides a substantial 12 square kilometer area of magnetic and electromagnetic anomalies associated with the intermediate (diorite) to basic (gabbro) phase of the Tulameen batholith. This area includes three of the known mineral occurrences on the Olivine Property as well as substantial magnetic EM response. The objective of ongoing exploration is identification and discovery of large scale massive sulphide deposits (Cu/Ni) associated with PGMs and gold similar in nature to Voisey's Bay in Labrador and Norilsk in Russia. One large grid area (180 line kilometers) has been selected in the central portion of the Olivine Property covering three of the known showings (see Figure 6 for details). Based on historical data and the airborne geophysical results, a 3D – induced polarization survey, soil and rock geochemical surveys and geological mapping are being recommended over this grid.

Interpretations and conclusions derived from the airborne geophysical survey are discussed in detail in the "Exploration Results" section of the Olivine Report. There are no uncertainties regarding the reliability of this data. The completed program met its original objectives. The Olivine Report is partially based on technical data that was collected in the 1960s through the early 2000s, and maintained by various property owners throughout the past 70(+) years. The Author relies on the quality of work of previous operators, their integrity of reporting, and has no reason to doubt the accuracy of the historical data. There would be minimal risk or impact derived from use of this data, as most historical work is part of ongoing recommended programs.

The Author believes the massive sulphide style of mineralization is most significant for discovery and development of mineral resource. Vein gold/PGM deposits may also exist on the Olivine Property, however are secondary targets. In summary, the Olivine Property is considered a property of merit, and is worthy of a significant initial phase of exploration.

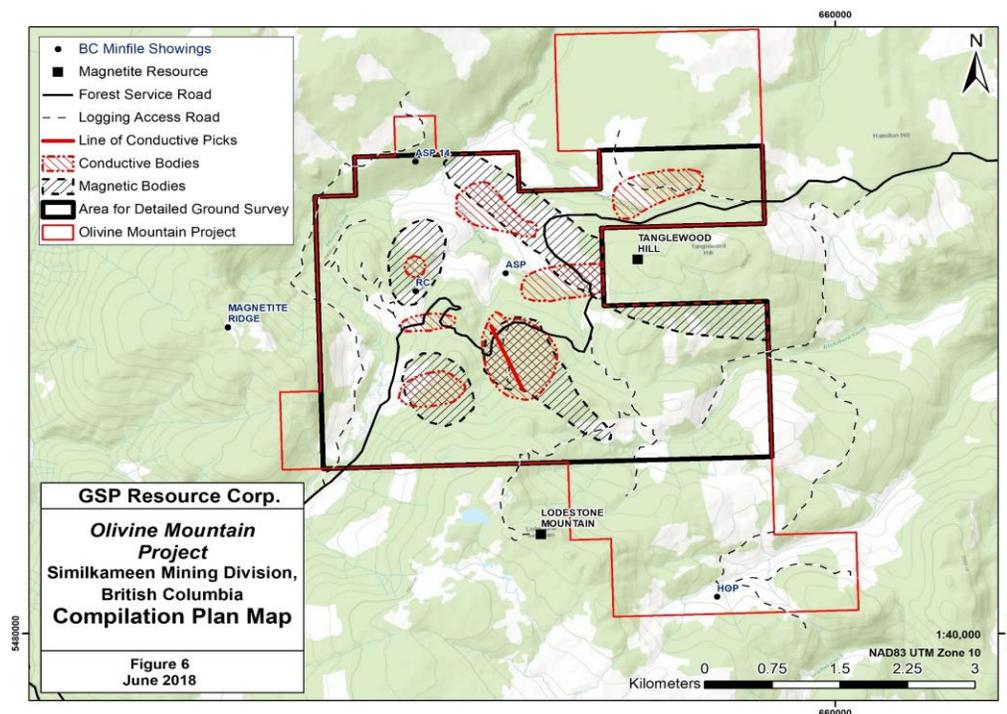
Recommendations

It is recommended that continued work on the Olivine Property consist of ground surveys to establish suitable drill targets over a 12 square kilometer area as shown on Figure 6 and covering the diorite, gabbro and ultramafic phases of the Tulameen batholiths, areas hosting three mineral showings and interpreted geophysical anomalies. Grid lines are to run east-west 3 to 4.5 km at 100 meter intervals, totaling approximately 180 line kilometers. A geochemical sampling program is to be completed over the entire grid area, soil samples collected at 50 meter intervals along all lines; accompanied by geological mapping. In addition, silt sampling is recommended in all areas of the Olivine Property. Samples are to be analyzed for 36 element ICP, including gold and platinum and palladium.

Costs of the recommended Phase I exploration program are estimated to be **\$240,000** and are detailed as follows:

Research and Program Planning		\$5,000
Supervision		\$10,000
Grid Preparation (170 kilometers)		\$30,000
Geological Mapping: Geologist -	\$10,000	\$15,000
Rock-chip Analysis -	5,000	
Geochemical Survey: Soil Collection -	\$ 40,000	\$128,000
Analysis -	\$ 88,000	
Room and Board		\$10,000
Truck Rentals and Miscellaneous Supplies		\$10,000
Compilation of Data and Report		\$10,000
Contingency (~10%)		\$22,000
Total Estimated Program Costs – Phase I		\$240,000

Phase II would incorporate exploration drilling, to test priority targets delineated from the Phase I program. As the amount and location of work is contingent on the results of Phase I, costs and details of the Phase II program are not estimated at this time.



USE OF PROCEEDS

Funds Available

The net proceeds to the Company from the sale of the Offered Securities after deducting the Agent's Commission of \$60,000 (assuming no President's List Commission and Warrants), but prior to deducting the estimated expenses of the Offering of \$114,000, will be \$690,000. Upon deducting from the net proceeds the estimated expenses of the Offering of \$114,000, the Corporate Finance Cash Fee of \$15,000, and including working capital surplus as at July 31, 2018 of approximately \$182,000, the total available funds to the Company are estimated to be \$743,000 (assuming the Over-Allotment Option is not exercised).

The total funds expected to be available to the Company upon closing of the Offering (assuming the Over-Allotment Option is not exercised) are as follows:

	Offering
Net Proceeds	\$561,000 ⁽¹⁾
Working Capital as at July 31, 2018	\$182,000
Total Funds Available	\$743,000

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

Principal Purposes

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

	Minimum
To pay the cost of Phase I of the exploration program on the Olivine Property ⁽¹⁾	\$240,000
To pay a property payment pursuant to the Olivine Option Agreement within 10 days of the Effective Date ⁽¹⁾	\$20,000
To pay a property payment pursuant to the Olivine Option Agreement within 6 months of the Effective Date ⁽¹⁾	\$20,000
To pay a property payment pursuant to the Olivine Option Agreement within 12 months of the Effective Date ⁽¹⁾	\$25,000
Administration costs for 12 months ⁽²⁾	\$250,000
Marketing and investor relations	\$75,000
Unallocated working capital	\$113,000
TOTAL	\$743,000

- (1) See "Narrative Description of the Business".

- (2) The Company estimates that its administrative costs will include accounting fees of \$18,000, transfer agent fees of \$5,000, professional fees of \$57,000, office expenses of \$30,000, director and management fees of \$60,000, consulting fees of \$60,000 and TSXV fees of \$20,000.

Although the Company intends to expend the proceeds from the Offering as set out above, the amount actually expended for the purposes described above could vary significantly depending on, among other things, the gold price, unforeseen events, and the Company's future operating and capital needs from

time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Notwithstanding the foregoing, the Company will undertake to incur (or be deemed to incur) sufficient CEE that qualify as “flow-through mining expenditures” (for purposes of the Tax Act), on or before December 31, 2019 so as to enable the Company to renounce, effective on or before December 31, 2018, in favour of subscribers of FT Shares, an amount equal to the aggregate purchase price for the FT Shares paid by such subscriber. See “Certain Canadian Tax Considerations”.

The Company’s allocation for administration expenses in funds available post-Offering will be sufficient to meet its administration costs to fund ongoing operations for more than 12 months.

Any additional proceeds from the exercise of the Over-Allotment Option will be added to working capital.

The Company had a negative operating cash flow in its most recently completed financial year and will continue to for the foreseeable future. The Company may not have enough funds to carry out a Phase II exploration program on the Olivine Property and additional financings may be required.

BUSINESS OBJECTIVES AND MILESTONES

The Company expects to accomplish the following objectives or milestones using the \$743,000 in funds available upon completion of the Offering (including \$182,000 working capital surplus as at July 31, 2018 and assuming the Over-Allotment Option is not exercised):

	Event	Time Frame
1.	Close the Offering	Within 90 days of filing final Prospectus (cost - \$114,000)
2.	Make a property payment pursuant to the Olivine Option Agreement	Within 10 days of the Effective Date (cost \$20,000)
	Make a property payment pursuant to the Olivine Option Agreement	Within 6 months of the Effective Date (cost \$20,000)
	Make a property payment pursuant to the Olivine Option Agreement	Within 12 months of the Effective Date (cost \$25,000)
3.	Carry out Phase I of the exploration program on the Olivine Property	Within 12 months of the Effective Date (cost \$240,000) ⁽¹⁾
(1)	Notwithstanding the foregoing, the Company will undertake to incur (or be deemed to incur) sufficient CEE that qualify as “flow-through mining expenditures” (for purposes of the Tax Act), on or before December 31, 2019 so as to enable the Company to renounce, effective on or before December 31, 2018, in favour of subscribers of FT Shares, an amount equal to the aggregate purchase price for the FT Shares paid by such subscriber. See “Certain Canadian Tax Considerations”.	

DIVIDENDS OR DISTRIBUTIONS

The Company has not, since its incorporation on February 19, 2018, paid any dividends on any of the Common Shares. The Company has no present intention to pay dividends. The future dividend policy will be determined by the Board on the basis of earnings, financial requirements and other relevant factors.

No dividends will be paid on any class or series of shares nor will shares or any series thereof be redeemed if such act would result in the Company having insufficient net assets to redeem the Preferred Shares (as defined herein), if applicable.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Overview for period from incorporation on February 19, 2018 to May 31, 2018

The Company is engaged in the business of mineral exploration in British Columbia. On February 23, 2018 the Company entered into the Olivine Option Agreement with the Optionor to acquire a 100% interest in 25 mineral claims comprising the Olivine Property. The Olivine Property is the sole property of the Company.

During the period from incorporation on February 19, 2018 to May 31, 2018 the Company raised a total of \$364,250 in cash from the issuance of an aggregate of 6,550,000 Common Shares pursuant to private placements.

No additional funds were raised during the fiscal year ended May 31, 2018.

Selected Annual Information

The following table represents selected annual financial information of the Company derived from the audited financial statements for the period from incorporation on February 19, 2018 to May 31, 2018 and should be read in conjunction with the same.

	From Incorporation on February 19, 2018 to May 31, 2018 (audited)
Total Revenues	Nil
Exploration Expenditures	\$111,416
General and Administrative Expenses	\$2,895
Stock-based compensation expense	Nil
Net Loss and Comprehensive Loss for the Period	(\$28,272)
Loss per share (basic and diluted)	(\$0.01)
Total Assets	\$380,104
Total Liabilities	\$44,126
Cash dividends per share	Nil

Management's Discussion and Analysis

The Company's Management's Discussion and Analysis provides an analysis of the Company's financial results for the period from incorporation on February 19, 2018 to May 31, 2018 and should be read in conjunction with the financial statements of the Company for such period, and the notes thereto. The Company's Management's Discussion and Analysis is attached to this Prospectus as Schedule C.

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

CONSOLIDATED CAPITALIZATION

There has been no material change in the share and loan capital of the Company since May 31, 2018, being the date of the Company's audited financial statements.

The following table summarizes the changes in the Company's capitalization since incorporation and after giving effect to the Offering. The table should be read in conjunction with the audited financial statements of the Company, attached hereto as Schedule B.

	Capitalization	As of May 31, 2018 (audited)	As of the date of this Prospectus	As of May 31, 2018 assuming completion of the Offering	As of May 31, 2018 assuming completion of the Offering and exercise of the Over- Allotment Option
Common Shares	6,550,000	\$364,250	\$364,250	\$364,250	\$364,250
Shares	2,500,000	N/A	N/A	\$500,000	\$500,000
FT Shares	1,000,000	N/A	N/A	\$250,000	\$250,000
Corporate Finance Shares	75,000	N/A	N/A	\$15,000	\$15,000
Total:	10,125,000	\$364,250	\$364,250	\$1,129,250	
Additional Shares	525,000	N/A	N/A	N/A	\$105,000
Total assuming exercise of Over- Allotment Option:	10,650,000				\$1,234,250

Additional Common Shares are reserved for issuance for the following purposes:

	Common Shares
Issuable pursuant to Olivine Option Agreement	200,000
Agent's Warrants ⁽¹⁾⁽²⁾	322,000
	522,000

(1) Assumes no President's List Commission and Warrants.

(2) Includes 280,000 Agent's Warrants if the Over-Allotment Option is not exercised and an additional 42,000 Agent's Warrants if the Over-Allotment Option is exercised.

OPTIONS TO PURCHASE SECURITIES

Incentive Stock Options and Stock Option Plan

On February 19, 2018, the Board approved the incentive stock option plan of the Company (the "Plan"), for the employees, directors, officers, consultants and employees of a person or company which provides management services to the Company or its associated, affiliated, controlled and Subsidiary companies (the "Participants"), to grant such Participants stock options to acquire up to 10% of the Company's issued and outstanding Common Shares as at the date of grant. This is a "rolling" plan as the number of Common Shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding number of Common Shares increases. Up to an aggregate of 1,007,500 Common Shares, representing approximately 10% of the proposed number of issued and outstanding Common Shares after completion of the Offering (assumes no exercise of the Over-Allotment Option), will be available for the grant of stock options under the Plan.

The Plan provides that the directors of the Company may grant options to purchase Common Shares on terms that the directors may determine, within the limitations of the Plan. The exercise price of an option issued under the Plan is determined by the Board, but may not be less than the closing market price of the Common Shares on the day preceding the date of granting of the option less any available discount, in accordance with the policies of the TSXV. No option may be granted for a term longer than 10 years. An option may expire on such earlier date or dates as may be fixed by the Board, subject to earlier termination in the event the optionee ceases to be eligible under the Plan by reason of death, retirement or otherwise.

The Plan provides for the following restrictions: (i) no Participant may be granted an option if that option would result in the total number of stock options granted to the Participants in the previous 12 months, exceeding 5% of the issued and outstanding Common Shares unless the Company has obtained disinterested Shareholder approval in accordance with TSXV Policies; (ii) the aggregate number of options granted to Participants conducting Investor Relations Activities (as defined in TSXV Policies) in any 12 month period must not exceed 2% of the issued and outstanding Common Shares, calculated at the time of grant; and, (iii) the aggregate number of options granted to any one consultant in any 12 month period must not exceed 2% of the issued and outstanding Common Shares, calculated at the time of grant. In addition, Options granted to consultants conducting Investor Relations Activities will vest over a period of 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting or such longer vesting period as the Board may determine. Vesting of Options is otherwise at the discretion of the Board.

As at the date of this Prospectus, the Company has not granted any incentive stock options to purchase Common Shares pursuant to the Plan.

Agent's Warrants

Upon completion of the Offering, the Agent will receive Agent's Warrants entitling it to acquire that number of Common Shares equal to 8% of the aggregate number of Offered Securities (including any Additional Shares) sold under the Offering at a price of \$0.20 per Common Share at any time on or before the 24 months from the Listing Date, not including Offered Securities sold to purchasers under the President's List. NI 41-101 restricts the number of Qualified Compensation Securities to a maximum of 10% of the Offered Securities including any Additional Shares. For the purposes of this Offering any combination of the following, totaling 350,000 securities (up to 402,500 securities if the Over-Allotment Option is exercised), are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (a) up to 75,000 Corporate Finance Shares; and (b) up to a maximum of 280,000 Agent's Warrants (up to 322,000 Agent's Warrants if the Over-Allotment Option is exercised). To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Securities including any Additional Shares, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws. The Agent will receive Agent's Warrants entitling it to acquire that number of Common Shares equal to 4% of the aggregate number of Offered Securities sold under the Offering to purchasers under the President's List.

There are no assurances that the Agent's Warrants will be exercised in whole or in part.

ESCROWED SECURITIES AND RESALE RESTRICTIONS ON SECURITIES

Escrow Agreement and Seed Share Resale Restrictions

The Company has issued a total of 3,650,000 Common Shares (the "**Escrow Shares**") to Principals of the Company, as that term is defined in National Policy 46-201 – *Escrow for Initial Public Offerings* ("**NP 46-201**"). As required by NP 46-201, the Principals of the Company will enter into the Escrow Agreement with the Escrow Agent and the Company, pursuant to which such Principals will agree to deposit an aggregate of 3,650,000 Escrow Shares into escrow with the Escrow Agent. Under the terms of NP 46-201, the Company will, at the time of the Offering, be categorized as an "emerging" issuer.

Common Shares that are issued to non-Principals of the Company prior to completion of the Offering ("**Seed Shares**") may be subject to escrow restrictions or hold periods imposed by TSXV Policy 5.4 - *Escrow, Vendor Considerations and Resale Restrictions* ("**Policy 5.4**"). 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 Company by the securities regulatory authorities in the Provinces of British Columbia and Alberta, determine which, if any, escrow restrictions or hold periods apply. These TSXV escrow restrictions and hold periods do not apply to persons who are subject to NP 46-201 as discussed above.

Notwithstanding the escrow restrictions imposed by NP 46-201 and Policy 5.4, all non-principal Shareholders voluntarily entered into the Escrow Agreement, such that an additional 2,900,000 Common Shares were deposited into escrow with the Escrow Agent and subject to the escrow restrictions provided therein.

Therefore, all 6,550,000 Common Shares issued and outstanding as of the date of this Prospectus are subject to the Escrow Agreement.

The Escrow Agreement provides that 10% of the number of securities held thereunder will be released on Closing 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 thereafter.

A total of 500,000 Seed Shares are subject to resale restrictions under Policy 5.4, released as to 20% on Closing and an additional 20% every 3 months thereafter over 12 months. The Escrow Agreement imposes escrow restrictions stricter than those imposed by Policy 5.4 such that a TSXV Form 6A - *Seed Share Resale Restrictions Pooling Agreement* imposing the aforementioned resale restrictions on the 500,000 Seed Shares is not necessary.

The following table sets out the securities which are expected to be subject to escrow restrictions imposed by NP 46-201, Policy 5.4 and voluntary escrow:

<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 Closing of Offering⁽¹⁾⁽²⁾</u>
Common Shares	6,550,000 ⁽³⁾	100%	64.69%

- (1) Excludes 200,000 Common Shares issuable within 10 days of the Effective Date pursuant to the Olivine Option Agreement. See "Narrative Description of the Business".
- (2) After Closing of the Offering, assuming the Agent has not exercised the Agent's Warrants, none of the Principals have purchased any of the Offered Securities and assuming no exercise of the Over-Allotment Option, the Company will have 10,125,000 Common Shares issued and outstanding.
- (3) 3,650,000 Common Shares held by Principals are subject to the Escrow Agreement pursuant to NP 46-201 and the remaining 2,900,000 Common Shares are subject to the Escrow Agreement on a voluntary basis with escrow restrictions on the same basis as those imposed by NP 46-201, 500,000 of which are also Seed Shares subject to resale restrictions under Policy 5.4.

Seed Share Resale Restrictions

All of the Seed Shares issued to non-Principals of the Company prior to the Offering are subject to resale restrictions pursuant to Policy 5.4 as described above.

Qualified Compensation Securities

NI 41-101 restricts the number of Qualified Compensation Securities to a maximum of 10% of the Offered Securities including any Additional Shares. For the purposes of this Offering any combination of the following, totaling 350,000 securities (up to 402,500 securities if the Over-Allotment Option is exercised), are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (a) up to 75,000 Corporate Finance Shares; and (b) up to a maximum of 280,000 Agent's Warrants (up to 322,000 Agent's Warrants if the Over-Allotment Option is exercised). To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Securities including any Additional Shares, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period of four months in accordance with applicable securities laws.

PRIOR SALES

<u>Date of Issue</u>	<u>No. of Common Shares⁽¹⁾</u>	<u>Price per Security \$</u>	<u>Total Consideration \$</u>
February 19, 2018	1,850,000	0.005	9,250

March 19, 2018	2,300,000 ⁽²⁾	0.05	115,000
April 25, 2018	2,400,000	0.10	240,000
TOTAL	6,550,000⁽³⁾		364,250

- (1) 3,650,000 of these Common Shares are subject to escrow restrictions imposed by NP 46-201 and 500,000 of these Common Shares are subject to escrow restrictions imposed by Policy 5.4. See “Escrowed Securities and Resale Restrictions on Securities” in this Prospectus.
- (2) From incorporation on February 19, 2018 to the date of this Prospectus, the Company issued a total of 2,300,000 flow-through shares at \$0.05 per share, for total cash consideration of \$115,000. All of the flow-through shares previously issued were issued on March 19, 2018.
- (3) Notwithstanding the escrow restrictions imposed by NP 46-201 and Policy 5.4, all Common Shares held by non-Principal Shareholders are also subject to the Escrow Agreement.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Company, as of the date of this Prospectus, the only persons known by the Company to own, control, or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company are as follows:

Name and Municipality of Residence	Number of Common Shares beneficially owned	Percentage of Common Shares Outstanding Prior to Offering⁽²⁾	Percentage of Common Shares Outstanding After Closing of the Offering⁽³⁾⁽⁴⁾⁽⁵⁾
Simon Dyakowski Vancouver, B.C.	1,500,000 ⁽¹⁾	22.90%	14.81%
Christopher I. Dyakowski Vancouver, B.C.	900,000 ⁽¹⁾	13.74%	8.89%
Jordan Trimble Vancouver, B.C.	750,000 ⁽¹⁾	11.45%	7.41%

- (1) These Common Shares are subject to escrow restrictions imposed by NP 46-201. See “Escrowed Securities and Resale Restrictions on Securities” in this Prospectus.
- (2) As at the date hereof, the Company has 6,550,000 Common Shares issued and outstanding.
- (3) After Closing of the Offering, assuming the Agent has not exercised the Agent’s Warrants, none of the Principals have purchased any of the Offered Securities and assuming no exercise of the Over-Allotment Option, the Company will have 10,125,000 Common Shares issued and outstanding.
- (4) After Closing of the Offering, assuming none of the above-named Principals purchase any of the Offered Securities, the Over-Allotment Option is exercised, and the Agent has exercised the Agent’s Warrants (assuming no President’s List Commission and Warrants), the fully-diluted Common Shares will be 10,405,000, which excludes the 200,000 Common Shares issuable within 10 days of the Effective Date pursuant to the Olivine Option Agreement, and such Principals will hold the following percentage of outstanding Common Shares on a fully-diluted basis: Mr. S. Dyakowski will hold 14.42%, Mr. C. Dyakowski will hold 8.65% and Mr. Trimble will hold 7.21%.
- (5) Assumes no exercise of the Over-Allotment Option.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of Class B preferred shares without par value (“**Preferred Shares**”). As of the date of this Prospectus, 6,550,000 Common Shares are issued and outstanding as fully paid and non-assessable Common Shares and no Preferred Shares are outstanding.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the rights of Preferred Shares holders and any payment of dividends declared but unpaid on Preferred Shares (if applicable), are entitled to receive such dividends in any financial year as the Board may determine by resolution. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of the redemption, purchase or acquisition of any shares, the reduction of capital or any other return of capital, the holders of the Common Shares are entitled to receive, subject to the prior rights of the holders of Preferred Shares, an amount equal to the paid-up capital thereon and any dividends declared thereon and unpaid, and any remaining property and assets of the Company. The Common Shares are not subject to call or assessment rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

In addition to the Common Shares issued and outstanding, the following table sets out the number of and percentage of the securities of the Company proposed to be outstanding on a fully-diluted basis after giving effect to the Offering.

	No. of Common Shares⁽¹⁾⁽²⁾	Percentage of Total
Issued and Outstanding as at the date of the Prospectus	6,550,000	62.95%
Issuable pursuant to the Offering	3,500,000	33.64%
Reserved for issuance pursuant to Agent's Warrants	280,000	2.69%
Corporate Finance Shares	75,000	0.72%
Total outstanding on a fully-diluted basis	<u>10,405,000</u>	<u>100.00%</u>

(1) Not including the 200,000 Common Shares issuable within 10 days of the Effective Date pursuant to the Olivine Option Agreement.

(2) Assumes no exercise of the Over-Allotment Option and assumes no President's List Commission and Warrants.

Preferred Shares

The Preferred Shares may be issued from time to time in one or more series and will have, among others, the following special rights and restrictions:

- The holders of Preferred Shares as a class shall, in preference to the holders of the Common Shares, be entitled to receive dividends.
- The holders of the Preferred Shares of any series shall also be entitled to such other preference, not inconsistent with these provisions, over the holders of the Common Shares.
- Unless subordinated in priority by the special rights and restrictions attached to any series of Preferred Shares, holders of Preferred Shares as a class will be entitled on distribution of the assets of the Company on liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or on any other distribution of assets the Company prior to any distribution to the holders of Common Shares.
- No Preferred Shares may be issued if the Company is in arrears in the payment of dividends on any outstanding series of Preferred Shares without the approval of the holders of the Preferred Shares by resolution passed by the majority of holders of Preferred Shares.

The Board may also, by resolution, determine the maximum number of shares of any series of Preferred Shares, alter the Articles to create an identifying name by which the shares of any of the Preferred Shares may be identified and alter the Articles and authorize the alteration of the notice of articles to attach special rights or restrictions to Preferred Shares or to alter such special rights or restrictions, as follows, including without limitation: (a) the rate, amount or method of calculation of dividends, (b) whether

such dividends are cumulative, partly cumulative or noncumulative, (c) the dates, manner and currency of payments of dividends and the date from which they accrue or become payable, (d) if redeemable or purchasable (whether at the option of the Company or holder of the Preferred Shares or otherwise), the redemption or purchase prices and currencies thereof and terms and conditions of redemption or purchase, with or without provision for sinking or similar funds, (e) the voting rights, if any and (f) any conversion, exchange or reclassification rights.

The Company, as of the date hereof, has no intention to issue Preferred Shares.

FT Shares

Each FT Share will be a Common Share that qualifies as a "flow-through share" under the Tax Act. The Company will incur (or will be deemed to have incurred) on or before December 31, 2019, and renounce to each purchaser of FT Shares, effective on or before December 31, 2018, Canadian Exploration Expenses ("CEE") in an amount equal to the gross aggregate purchase price for FT Shares. See "Certain Canadian Tax Considerations".

Subscriptions for FT Shares will be made pursuant to one or more FT Subscription Agreements (each, a "**FT Subscription Agreement**") to be entered into between the Company and the Agent, as agents for, on behalf of and in the name of, all subscribers of FT Shares. A subscriber who purchases FT Shares will be deemed to have appointed and authorized the Agent to execute and deliver, on the subscriber's behalf, a FT Subscription Agreement.

Pursuant to the FT Subscription Agreements, the Company will covenant and agree (i) to incur (or to be deemed to have incurred) on or before December 31, 2019, and renounce to each subscriber effective on or before December 31, 2018, CEE in an amount equal to the gross aggregate purchase price for FT Shares, (ii) that the expenditures renounced will be "flow-through mining expenditures" of the subscriber for the purposes of Subsection 127(9) of the Tax Act for individuals (other than trusts), and (iii) that if the Company does not renounce to such subscriber, effective on or before December 31, 2018, CEE equal to the amount specified in (i) above, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Company shall indemnify such subscriber for an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by such subscriber as a consequence of such failure or reduction. For greater certainty, the foregoing indemnity shall have no force or effect and the subscriber shall not have any recourse to the extent that such indemnity or recourse would otherwise cause the FT Shares to be "prescribed shares" within the meaning of section 6202.1 of the regulations to the Tax Act. The FT Subscription Agreement will contain additional representations, warranties, covenants and agreements by the Company in favour of the subscribers of FT Shares which are consistent with and supplement the Company's obligations as described in this Prospectus.

The FT Subscription Agreements will also provide representations, warranties and agreements of the subscriber, and by its purchase of FT Shares each subscriber of FT Shares offered under this Prospectus will be deemed to have represented, warranted and agreed, for the benefit of the Company and the Agent or its sub-agents, if any, that is signatory thereto that, inter alia: (i) neither the subscriber nor any beneficial purchaser for whom it is acting is, for the purposes of the Tax Act, a non-resident of Canada or a partnership other than a "Canadian partnership", (ii) the subscriber, and any beneficial purchaser for whom it is acting, deals, and until December 31, 2019 will continue to deal, at arm's length with the Company for the purposes of the Tax Act, (iii) the subscriber, if an individual, is of the full age of majority and otherwise is legally competent to enter into the FT Subscription Agreement, (iv) other than as provided herein and in the FT Subscription Agreement, the subscriber waives any right that it may have to any potential incentive grants, credits and similar or like payments or benefits which accrue as a result of the operations relating to CEE and acknowledges that all such grants, credits, payments or benefits accrue to the benefit of the Company, and (v) the subscriber has received and reviewed a copy of this Prospectus.

Notwithstanding the foregoing, the Company may enter into one or more subscription and renunciation agreements for FT Shares on such other terms as may be agreed to by the Company and the applicable subscriber.

Corporate Finance Shares and Agent's Warrants

NI 41-101 restricts the number of Qualified Compensation Securities to a maximum of 10% of the Offered Securities including any Additional Shares. For the purposes of this Offering any of combination of the following, totaling 350,000 securities (up to 402,500 securities if the Over-Allotment Option is exercised), are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (a) up to 75,000 Corporate Finance Shares; and (b) up to a maximum of 280,000 Agent's Warrants (up to 322,000 Agent's Warrants if the Over-Allotment Option is exercised). To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Securities including any Additional Shares), those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws.

CERTAIN CANADIAN TAX CONSIDERATIONS

In the opinion of AFG Law LLP, counsel to the Company, the following is, as at the date of this Prospectus, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a purchaser of the Offered Securities under the Offering who, at all relevant times for purposes of the Tax Act, (i) is or is deemed to be resident in Canada, (ii) deals at arm's length with the Company and the Agent, (iii) is not affiliated with the Company or a subsequent purchaser of the Shares or FT Shares, and (iv) acquires and holds the Shares and FT Shares as capital property (a "**Holder**").

Generally, the Shares and FT Shares will be considered to be capital property to a Holder provided that the Holder does not use or hold the Shares or FT Shares in the course of carrying on a business of trading or dealing in securities and such Holder has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders may, in certain circumstances, make an irrevocable election under subsection 39(4) of the Tax Act to have their Shares, and every other "Canadian security" (as defined in the Tax Act) owned by such Holder in the taxation year of the election and in all subsequent years deemed to be capital property. The election under subsection 39(4) of the Tax Act does not apply to FT Shares. Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances.

This summary is not applicable to a Holder: (i) that is a "financial institution" (as defined in the Tax Act for the purposes of the "mark-to-market" rules); (ii) an interest in which is a "tax shelter investment" for the purposes of the Tax Act; (iii) that makes or has made an election to report its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian currency pursuant to section 261 of the Tax Act; (iv) that is a "specified financial institution" (as defined in the Tax Act); (v) that is a "principal-business corporation" (as defined in the Tax Act); (vi) that is a partnership or trust; (vii) whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons; (viii) that has entered, or will enter, into a "derivative forward agreement" (as defined in the Tax Act) with respect to the Shares or FT Shares; or (ix) that is an Agent. This summary does not address the deductibility of interest by a Holder who borrows money to acquire Shares or FT Shares. Such Holders should consult their own tax advisors with respect to an investment in Shares or FT Shares.

This summary is based upon the current provisions of the Tax Act in force on the date hereof, all specific proposals (the "**Proposed Amendments**") to amend the Tax Act that have been publicly announced by, or on behalf of, the Minister of Finance (Canada) prior to the date hereof and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") made public prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted in the form proposed, but no assurance can be given that the Proposed Amendments will be enacted in their current proposed form, if at all. Except for the Proposed Amendments, this summary

does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in the administrative or assessing practices and policies of the CRA. In addition, this summary does not take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed in this Prospectus.

This summary assumes that the Company will make all necessary tax filings in respect of the issuance of the FT Shares and the renunciation of CEE in the manner and within the time required by the Tax Act, that the Company will incur or be deemed to incur sufficient CEE to enable it to renounce to Holders all of the CEE covenanted to be renounced by the Company pursuant to the FT Subscription Agreement(s) effective on the dates set out therein and that all expenses discussed herein will be reasonable in amount. This summary assumes that the Company will be a "principal-business corporation" (within the meaning of the Tax Act) at all material times and that the FT Shares, when issued, will be "flow-through shares" (within the meaning of the Tax Act) and will not be "prescribed shares" for purposes of the definition of "flow-through share" in subsection 66(15) of the Tax Act. If any of the above assumptions are incorrect, the Company may be unable to renounce some or all of the CEE which it has agreed to renounce in the FT Subscription Agreement(s).

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to a Holder in respect of the transactions described herein. The federal income tax consequences to a particular Holder of an investment hereunder will vary according to a number of factors including the particular province in which the Holder resides, carries on business or has a permanent establishment, the legal characterization of the Holder as an individual, corporation, trust or partnership, the amount that would be the Holder's taxable income but for an investment in the FT Shares, the length of a Holder's fiscal period and the manner in which the portion of the gross aggregate purchase price for FT Shares is expended.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice or representation to any Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Cost Base

The total purchase price of a Share to a Holder will become a Holder's cost thereof for the purposes of the Tax Act. Such amount must generally be averaged with the adjusted cost base of all other Common Shares (including FT Shares) held by a Holder as capital property to determine the adjusted cost base of all such Common Shares to the Holder.

For income tax purposes, a FT Share will be deemed to have been acquired by the Holder at a cost of nil. This cost must generally be averaged with the adjusted cost base of all other Common Shares held by the Holder as capital property at the time the FT Share is acquired to determine the Holder's adjusted cost base of all such Common Shares held.

Paid-Up Capital

Under the Tax Act, the Company will be required for tax purposes to reduce the "paid-up capital" (as defined in the Tax Act) of its Common Shares by an amount equal to 50% of the CEE renounced in respect of the FT Shares. The reduction may impact on the income tax treatment of subsequent dealings with the Commons Shares (including Shares and FT Shares).

Disposition of Shares and FT Shares

A disposition or deemed disposition of Shares or FT Shares by a Holder (other than a disposition of such shares to the Company) will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) such Holder's adjusted cost base of such Shares or FT Shares. The tax treatment of capital gains and capital losses is discussed in greater detail below under "Capital Gains and Capital Losses".

A Holder who disposes of FT Shares will retain the entitlement to receive renunciations of CEE from the Company as described below as well as the ability to deduct any CEE previously deemed to have been incurred by the Holder (subject to the rules applicable to a corporate Holder on an acquisition of control), and a subsequent purchaser of such FT Shares will not be entitled to any renunciations of CEE in respect thereof.

Capital Gains and Capital Losses

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Holder must be included in the income of the Holder for the taxation year in which the disposition occurs. Subject to, and in accordance with, the provisions of the Tax Act, a Holder is required to deduct one-half of a capital loss (an "**allowable capital loss**") realized by the Holder in a taxation year against taxable capital gains realized in that taxation year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year may be applied to reduce net taxable capital gains realized in the three preceding taxation years or any subsequent taxation year, subject to the provisions of the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of Shares or FT Shares by a Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares to the extent and in the circumstance prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that receives and disposes of Shares or FT Shares, directly or indirectly through a partnership or a trust.

A Holder that is throughout its taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year which will include taxable capital gains.

Dividends

Dividends received or deemed to be received on Shares or FT Shares in a taxation year will be included in computing the Holder's income for that year. In the case of a Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of taxable dividends received from "taxable Canadian corporations" (as defined in the Tax Act) including the enhanced gross-up and dividend tax credit applicable to dividends that are designated in writing by the Company as "eligible dividends". There may be limitations on the ability of the Company to designate dividends as "eligible dividends". Dividends received by a Holder that is a corporation on Shares or FT Shares must be included in computing the Holder's income but generally will be deductible in computing the Holder's taxable income to the extent and under the circumstances provided in the Tax Act.

In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Holder that is a corporation as proceeds of a disposition or a capital gain.

A Holder that is a "private corporation" or a "subject corporation" (as such terms are defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act at a rate of 38 ⅓% on dividends received or deemed to be received to the extent such dividends are deductible in computing the Holder's taxable income.

Holders that are corporations should consult their own tax advisors regarding their particular circumstances.

Renunciation of CEE in Respect of FT Shares

Subject to certain limitations and restrictions contained in the Tax Act, if the Company incurs certain CEE pursuant to the FT Subscription Agreement(s), it will be entitled to renounce to an initial Holder of the FT Shares an amount of such CEE equal to the gross aggregate purchase price paid by such Holder for FT

Shares, and the CEE so renounced will be deemed to have been incurred by such Holder as CEE on the effective date of the renunciation.

The Tax Act contains a one-year "look-back" rule which, if certain conditions are satisfied, will permit the Company to renounce CEE incurred (or deemed to have been incurred) by it in 2019 to the initial Holders of FT Shares effective on December 31, 2018. In other words, Holders of FT Shares would be deemed to have incurred the CEE on December 31, 2018 even though the Company may not have incurred the expenditures until 2019. For this one-year "look-back" rule to apply in respect of CEE incurred or deemed to be incurred in 2019, (i) a FT Subscription Agreement must have been made in 2018; (ii) the Holder must have paid the consideration in money for the FT Share before the end of the 2018 year, (iii) the CEE incurred must consist of certain expenses specified in paragraph 66(12.66)(b) of the Tax Act, which include expenses described in paragraph (f) of the definition "Canadian exploration expense" in subsection 66.1(6) of the Tax Act; (iv) the Holder must deal at arm's length with the Company throughout 2019; and (v) the Company must renounce the CEE to the Holder in either January, February, or March of 2018.

The Company has advised counsel that it will incur (or will be deemed to have incurred) and renounce with respect to the FT Shares to the purchasers of FT Shares, expenses which qualify as CEE and "flow-through mining expenditures" (as defined in the Tax Act) in accordance with these rules. In the event that the Company does not incur (or is not deemed to have incurred) CEE on or before December 31, 2019 in an amount at least equal to the amounts renounced with respect to the FT Shares to the purchasers of FT Shares, the Company will be required to reduce the amount of CEE renounced to the Holders and the Holders' income tax returns for the years in which the CEE was claimed will be reassessed accordingly. A Holder that is an individual will not be subject to any penalties for any such reassessment and will not be subject to any interest charges for any additional taxes payable if such taxes are paid by the individual Holder on or prior to April 30, 2020.

The Company has undertaken to incur sufficient CEE prior to December 31, 2019 and to renounce (in accordance with the Tax Act) in favour of the Holders of FT Shares effective December 31, 2018 (assuming the Holders deal at arm's length with the Company and meet the other requirements for the "look-back" rule referenced above), an amount equal to the portion of the gross aggregate purchase price for FT Shares. The Company may not renounce to Holders of FT Shares an amount in excess of the amount equal to the gross aggregate purchase price for FT Shares. Further, the Company will not be entitled to renounce CEE to the extent that the amount so renounced exceeds the Company's own "cumulative Canadian exploration expense" (as defined in the Tax Act) ("CCEE").

CEE deemed to have been incurred by a Holder will be added to the CCEE account of such Holder. A Holder may deduct in computing income from all sources for a taxation year such amount as may be claimed not exceeding 100% of the balance in the Holder's CCEE account at the end of taxation year. To the extent that a Holder does not deduct the balance of the Holder's CCEE account at the end of a taxation year, the balance will be carried forward and may be deducted by the Holder in subsequent taxation years in accordance with the provisions of the Tax Act. The CCEE account of a Holder is reduced by the amount deducted by the Holder in prior years. If the balance of the Holder's CCEE account is "negative" at the end of a taxation year, which may occur if the Holder receives or becomes entitled to receive assistance payments which relate to CCEE incurred in prior year or if there are other adjustments to that CCEE account, the "negative" amount must be included in the Holder's income for that taxation year, and the balance of the Holder's CCEE account then becomes nil. The right to deduct CCEE accrues to the initial Holder of FT Shares and is not transferable. The disposition of FT Shares will not reduce the balance of a Holder's CCEE account. A Holder's CCEE account will be reduced by the amount of any assistance, including grants, that the Holder has received or is entitled to receive in respect of CEE in the preceding year.

In addition, a Holder who is an individual (other than a trust) that subscribes for FT Shares may be permitted to claim a 15% non-refundable investment tax credit ("ITC") reducing the individual's federal tax otherwise payable in a taxation year where certain CEE that qualifies as "flow-through mining expenditures" for purposes of the Tax Act is renounced to the Holder effective in such taxation year. Such expenses must be incurred, or deemed to have been incurred, before January 1, 2020 pursuant to an

agreement entered into by the Company and the Holder prior to April 1, 2019. The Holder will be required to deduct the amount of any ITC claimed in a taxation year from such Holder's CCEE account in the following taxation year, which may result in an income inclusion in that year in accordance with the rules referenced above. The Company has advised counsel that it will incur (or will be deemed to have incurred) and renounce with respect to the FT Shares to the purchasers of FT Shares, expenses which qualify as CEE and "flow-through mining expenditures" (as defined in the Tax Act) in accordance with these rules. Subscribers should consult their own tax advisors.

Certain restrictions apply in respect of the deductions of CCEE following an acquisition of control and on certain reorganizations of a corporate Holder. Corporate Holders should consult their own tax advisors for advice with respect to the potential application of these rules to them having regard to their own particular circumstances.

If a Deferred Plan (defined above under the heading "Eligibility for Investment") subscribes for FT Shares, the tax benefits of the renunciation of the CEE with respect to the FT Shares will not be available for deduction against income of the holder, annuitant or beneficiary of the Deferred Plan.

Alternative Minimum Tax

Pursuant to the alternative minimum tax rules in the Tax Act, the tax payable by an individual Holder (other than certain trusts) under Part I of the Tax Act will be the greater of the tax otherwise determined and a minimum amount computed by reference to such Holder's "adjusted taxable income" for the taxation year. For these purposes, the minimum amount generally means the amount, reduced by certain tax credits, representing the "appropriate percentage" (currently 15%) of the Holder's adjusted taxable income in excess of a \$40,000 exemption.

In calculating adjusted taxable income for the purposes of the alternative minimum tax rules, certain deductions and credits otherwise available are disallowed and certain amounts not otherwise included in income are included. The disallowed items include deductions claimed by the individual in respect of CEE in a particular taxation year to the extent such deductions exceed the individual's resource income in that year before deduction of those amounts. Also included in adjusted taxable income are 80% of capital gains (rather than 50%).

Whether and to what extent the tax liability of a particular Holder will be increased by the alternative minimum tax will depend on the amount of such Holder's income, the sources from which it is derived, and the nature and amounts of any deductions such Holder claims.

Any additional tax payable by an individual Holder for a taxation year resulting from the application of the alternative minimum tax rules will generally be deductible in any of the seven immediately following taxation years in computing the amount that would, but for the alternative minimum tax rules, be such individual's tax otherwise payable for any such year to the extent that such tax payable exceeds the individual's alternative minimum tax for that particular year.

Cumulative Net Investment Loss

One-half of the amount of the CEE renounced to and deducted by a Holder will be added to the Holder's cumulative net investment loss ("**CNIL**") account, within the meaning of the Tax Act. A Holder's CNIL account may impact a Holder's ability to access the capital gains exemption available on the disposition of certain qualified small business corporation shares or qualified farm or fishing property.

DIRECTORS AND OFFICERS

Each director of the Company holds office until the next annual general meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the articles of the Company or he becomes disqualified to act as a director. As at the date of this Prospectus, the number and percentage of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the directors and officers of the Company as a group is 3,650,000 or 55.73%. Upon Closing

of the Offering, assuming the Agent has not exercised the Agent's Warrants and none of the directors or officers purchase any of the Offered Securities, the number and percentage of the Common Shares beneficially owned, or controlled or directed, directly or indirectly, by all of the directors and officers of the Company will be 3,650,000 or 36.05% (assumes no exercise of the Over-Allotment Option).

The names, municipality of residence, position within the Company and the present and principal occupations for the past five years of each of the directors and officers of the Company are set forth in the following table.

The directors and officers beneficially own or control the following Common Shares in the capital of the Company:

Name, Position, Province and Country of Residence⁽¹⁾	Present and Principal Occupation or Employment for the Past Five Years⁽¹⁾	Director or Officer of the Company since	Common Shares Held⁽²⁾ / Percentage of Outstanding Common Shares as at the Date hereof
SIMON DYAKOWSKI⁽³⁾ Director, President and Chief Executive Officer British Columbia, Canada	Independent Capital Markets Consultant; RBC, Associate; Bank of Tokyo, Associate, Corporate Banking; ACM Advisors Ltd., Senior Fund Analyst	February 19, 2018	1,500,000 / 22.90%
KENNETH C. PHILLIPPE Chief Financial Officer British Columbia, Canada	Self-employed Chartered Professional Accountant since 1981	February 19, 2018	200,000 / 3.05%
CHRISTOPHER I. DYAKOWSKI⁽³⁾ Director, Chairman British Columbia, Canada	Self-Employed Professional Geoscientist (mining & exploration)	February 19, 2018	900,000 / 13.74%
JORDAN TRIMBLE⁽³⁾ Director British Columbia, Canada	Director, President and Chief Executive Officer of Skyharbour Resources Ltd. (TSXV) since June 2013	February 19, 2018	750,000 / 11.45%
JUSTIN KATES Director British Columbia, Canada	Lawyer, Partner of DuMoulin Black LLP	February 19, 2018	300,000 / 4.58%

(1) The information as to country of residence and principal occupations, not being within the knowledge of the Company, has been furnished by the respective directors and officers individually.

(2) As at the date hereof, the Company has 6,550,000 Common Shares issued and outstanding. The Common Shares held by the directors and officers of the Company are subject to escrow restrictions imposed by NP 46-201. See "Escrowed Securities and Resale Restrictions on Securities" in this Prospectus.

(3) Member of Audit and Finance Committee.

Management

Set forth below is a description of the background of the directors and officers of the Company, including a description of each individual's principal occupation(s) within the past five years.

Simon Dyakowski – Age 32 – Director, Chief Executive Officer, President and Promoter. As the Chief Executive Officer and President of the Company, Mr. Dyakowski manages the administration of the Company and oversees the exploration activities of the Company. Mr. Dyakowski has over ten years of corporate finance, corporate development and capital markets advisory experience. He holds an MBA in Finance from the University of British Columbia, is a CFA charterholder and holds a Bachelor of

Management and Organizational Studies from the University of Western Ontario. As an independent capital markets consultant, he advises venture stage and growth-oriented public market issuers on deal structuring, capital markets, and corporate development strategies. His professional experience is in equity research and equity sales coverage with previous positions held at ACM Advisors Ltd. and Leede Financial Markets Inc. Mr. Dyakowski will spend 50% of his time on the Company's business. He is an independent contractor of the Company and is not an employee. Mr. Dyakowski has not entered into a non-competition or non-disclosure agreement with the Company.

Kenneth C. Phillippe – Age 66 – Chief Financial Officer. Mr. Phillippe is a Chartered Professional Accountant and has over 35 years of public company experience. He obtained a Bachelor of Commerce Degree from the University of British Columbia in 1976. He articulated with Thorne Riddell (now KPMG) and obtained his professional accounting designation in 1981. Mr. Phillippe established his own accounting practice in 1981. Mr. Phillippe has served as an officer and director of public reporting issuers in both Canada and the United States. He will spend approximately 20% of his time on the Company's business. He is an independent contractor of the Company and is not an employee. Mr. Phillippe has not entered into a non-competition or non-disclosure agreement with the Company.

Christopher I. Dyakowski – Age 66 – Director, Chairman. Mr. Dyakowski is a mining exploration geologist and consultant and has practiced his profession since 1992. He has been a member in good standing of the Association of Professional Engineer and Geoscientists of British Columbia since 1992. He has a Bachelor of Science (Geology) Degree from the University of British Columbia (1975). Mr. Dyakowski has served as an officer and director of many public reporting issuers in Canada. Mr. Dyakowski will spend 25% of his time on the Company's business. He is an independent contractor of the Company and is not an employee. Mr. Dyakowski has not entered into a non-competition or non-disclosure agreement with the Company.

Jordan Trimble – Age 30 – Director. Mr. Trimble is the President and Chief Executive Officer of Skyharbour Resources Ltd. Mr. Trimble holds a Bachelor of Science Degree with a Minor in Commerce from the University of British Columbia and he is a Chartered Financial Analyst (CFA) charterholder. He will spend approximately 15% of his time on the Company's business. He is an independent contractor of the Company and is not an employee. Mr. Trimble has not entered into a non-competition or non-disclosure agreement with the Company.

Justin Kates – Age 36 – Director. Mr. Kates is a lawyer and partner of DuMoulin Black LLP (where he has worked for the past 6 years), practicing primarily in the areas of securities, corporate finance, mergers and acquisitions, and corporate and commercial law. Mr. Kates works with clients in a wide range of industries including oil and gas, technology, life sciences, food & beverage, and natural resources. He advises clients from all stages of development ranging from early stage to large public companies. His practice includes advising these clients on a range of matters, including equity and debt financings, stock exchange listings, mergers and acquisitions, reorganizations, and general corporate/commercial matters. He received his J.D. from the University of Western Ontario and his Bachelor of Business Administration from Western Michigan University. He will spend approximately 10% of his time on the Company's business. He is an independent contractor of the Company and is not an employee. Mr. Kates has not entered into a non-competition or non-disclosure agreement with the Company.

Cease Trade Orders

Except as disclosed below, as at the date of this Prospectus, no director or officer is, or within the ten years prior to the date of this Prospectus has been, a director, chief executive officer or chief financial officer of any company (including the Company), that while that person was acting in that capacity,

- (a) was the subject to a cease trade (including any management cease trade order which applied to directors or officers of a company, whether or not the person is named in the order) or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "Order"); or

- (b) was subject to an Order that was issued after the director or 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.

Mr. Phillippe was serving as an officer of Amazon Goldsands Ltd. ("**Amazon Goldsands**") when on June 3, 2010 the Executive Director of the British Columbia Securities Commission issued an order that trading in Amazon Goldsands cease until it filed the required documents. Mr. Phillippe resigned as an officer of Amazon Goldsands on July 21, 2010.

Mr. Phillippe was serving as a director and officer of MX Gold Corp. ("**MX**") when on January 10, 2018 the Executive Director of the British Columbia Securities Commission issued an order that trading in MX cease until it filed the required documents. Mr. Phillippe resigned as an officer of MX on January 22, 2018.

Bankruptcies

As at the date of this Prospectus, no director, officer, or Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or within the ten years prior to the date of this Prospectus has,

- (a) been a director, chief officer or chief financial officer of any company (including the Company), that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) 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 manager or trustee appointed to hold the assets of the director, officer or shareholder.

Penalties and Sanctions

No director, officer, or Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or 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

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company. In particular, the President and Chief Executive Officer, as to 50% and the Chief Financial Officer, as to 10%, of the Company will only be devoting part of their time to the affairs of the Company. The directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's executive compensation objectives and processes and to discuss compensation decisions relating to its Named Executive Officers listed in the Summary Compensation Table that follows. During its fiscal year ended May 31, 2018, the following individuals were Named Executive Officers (as determined by applicable securities legislation) of the Company:

Simon Dyakowski – President and Chief Executive Officer

Kenneth C. Phillippe – Chief Financial Officer

The Company is a mineral exploration company whose assets include exploration properties located in British Columbia. The Company's primary objective is to conduct initial exploration on various properties and then to seek partners to conduct follow-up exploration programs and continue the exploration effort. In most of these partnership arrangements, the Company will continue to act as operator and, in this way, the Company reduces dilution to its share capital and decreases its expenditures. This also allows the Company to continue exploration on these same properties with larger budgets than its own initial investment.

Notwithstanding the foregoing, given that the Company has not, as of yet, generated any significant income or cash flow from operations and operates with limited financial resources to ensure that funds are available to complete scheduled programs, the Board has to consider not only the financial situation of the Company at the time of the determination of executive compensation, but also the estimated financial situation in the mid and long term. An important element of executive compensation is the grant of incentive stock options by the Company to its employees, directors and officers which do not require cash disbursement by the Company.

Compensation Objectives and Principles

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board.

The Company's executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account.

The primary goal of the company's executive compensation process is to attract and retain the key executives necessary for the Company's long term success, to encourage executives to further the development of the Company and its operations and to motivate qualified and experienced executives. The key elements of executive compensation awarded by the Company are: (i) base salary; (ii) potential annual incentive awards; and (iii) incentive stock options. The Board is of the view that all elements should be considered rather than any single element. The Board has not considered the implications of the risk associated with the Company's compensation policies and practices. The compensation program is designed to reward each executive based on individual, business and corporate performance and is also designed to incent such executives to drive the annual and long-term business goals of the organization.

For executive officers who are offered compensation, such compensation will primarily be comprised of a base salary, fees and/or stock options to purchase Common Shares.

Option Based Awards

Options to purchase Common Shares are intended to align the interests of the Company's directors and officers with those of its Shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of Shareholder value and to reduce the cash compensation the Company would otherwise have to pay. The Company's Stock Option Plan is administered by the Board. The Board

also considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the officer in determining the level of incentive stock option compensation. See “Incentive Plan Awards – Outstanding Option-Based Awards” below.

Benefits and Perquisites

The Company does not, as of the date of this Prospectus, offer any benefits or perquisites to its Named Executive Officers other than entitlement to incentive stock options as otherwise disclosed and discussed herein.

Summary Compensation Table

The following table sets forth details of all compensation paid in respect of the Named Executive Officers of the Company for the period from incorporation on February 19, 2018 to the end of the most recently completed financial year ended May 31, 2018.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Simon Dyakowski CEO and President	2018	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
Ken Phillippe CFO	2018	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

No share-based or option-based awards have been granted to any Named Executive Officer since incorporation of the Company. No share-based or option-based awards are outstanding as at the date of this Prospectus.

Pension Plan Benefits

The Company does not offer any pension plan benefits to its Named Executive Officers.

Termination and Change of Control Benefits

The Company is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following or in connection with any termination (whether voluntary, involuntary or constructive) resignation or retirement, or as a result of a change in control of the Company or a change in a Named Executive Officers responsibilities.

The Company has no plans pursuant to which it compensates its directors for services in their capacity as directors other than the Plan. See “Incentive Stock Options and Stock option Plan”.

Director Compensation

The Company does not pay its directors a fee for acting as such. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and the Company will, from time to time, grant incentive stock options to purchase Common Shares to its directors (see “Incentive Stock Options and Stock Option Plan”).

The following table sets forth details of all amounts of compensation provided to the directors other than the Named Executive Officers (the “Other Directors”) for the Company’s most recently completed financial year.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Christopher I. Dyakowski	Nil	N/A	Nil	N/A	N/A	14,532 ⁽¹⁾	Nil
Jordan Trimble	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Justin Kates	Nil	N/A	Nil	N/A	N/A	Nil	Nil

(1) Max Investments Inc., a company controlled by Christopher I. Dyakowski, received \$14,532 for project management services, and Christopher I. Dyakowski was paid \$1,250 for fieldwork at the Olivine Property and associated traveling costs.

Outstanding Share-Based and Option-Based Awards

No option-based awards were granted to the directors of the Company (excluding Named Executive Officers) were outstanding as at May 31, 2018 or at the date of this Prospectus. No other share-based awards have been granted to the directors and the Company does not provide any non-equity incentive plan compensation to its directors.

INDEBTEDNESS OF DIRECTORS, OFFICERS, PROMOTERS AND OTHER MANAGEMENT

No director, officer, employee, promoter or former director, officer, employee or promoter of the Company nor any associate of such person has been indebted to the Company at any time for other than “routine indebtedness”, as that term is defined by applicable securities law; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the company.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the Company’s financial year ended May 31, 2018, all information required with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by securityholders	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	Nil	Nil	Nil

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Total	Nil	Nil	Nil

AUDIT AND FINANCE COMMITTEE

Audit and Finance Committee

The purpose of the Audit and Finance Committee is to assist the Board in its oversight of the quality and integrity of the accounting, auditing, reporting practices, systems of internal accounting and financial controls, the annual independent audit of the Company's financial statements, and the legal compliance and ethics programs of the Company as established by management.

Audit and Finance Committee Charter

The charter of the Audit and Finance Committee is attached hereto as Schedule A.

Audit and Finance Committee Members

The Audit and Finance Committee presently consists of Simon Dyakowski, Christopher I. Dyakowski and Jordan Trimble. Christopher I. Dyakowski and Jordan Trimble are considered "independent" as that term is defined in applicable securities legislation. All three members of the Audit and Finance Committee members is financially literate within the meaning of Section 1.5 of NI 52-110 – *Audit Committees* in that he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. Simon Dyakowski, by reason of his offices as Chief Executive Officer and President of the Company, is not considered to be independent pursuant to applicable securities legislation.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year did the Board decline to adopt a recommendation of the Audit and Finance Committee to nominate or compensate an external auditor.

Relevant Education and Experience

The education and experience of each member of the Audit and Finance Committee that is relevant to the performance of his responsibilities as an Audit and Finance Committee member and, in particular, any education or experience that would provide the member with:

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

financial statements, or experience actively supervising one or more individuals engaged in such activities; and

- (d) an understanding of internal controls and procedures for financial reporting are as follows:

Name of Member	Education	Experience
Simon Dyakowski	MBA (Finance), CFA charterholder and Bachelor of Management and Organizational Studies	Professional experience is in equity research and equity sales coverage with previous positions held at Salman Partners and Leede Financial
Christopher I. Dyakowski	BSc (Geo)	37 years' experience as a director and/or officer of public companies
Jordan Trimble	BSc (Minor in Commerce), CFA charterholder	5 years' experience as a director and/officer of public companies

Please see "Management" for details of the biographic detail about the members of the Audit and Financial Committee.

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

As at the date of this Prospectus, the Audit and Finance Committee has not adopted any specific policies or procedures for the engagement of non-audit services.

External Auditor Service Fees

The following table sets out, by category, the fees billed by MNP LLP, Chartered Professional Accountants, the Company's auditors, for the year ended May 31, 2018:

	Year ended May 31, 2018
Audit fees	\$NIL
Audit-related fees	\$Nil
Tax fees	\$Nil
All other fees	<u>\$Nil</u>
Total	<u>\$Nil</u>

Exemption for Venture Issuers

As a venture issuer, the Company is exempt from the provisions of NI 52-110 that would otherwise require its Audit and Finance Committee to be constituted in accordance with Part 3 of NI 52-110, and require the Company to comply with the reporting obligations in Part 5 of NI 52-110.

CORPORATE GOVERNANCE

The following is a summary of the Company's approach to corporate governance.

Board of Directors

The Board facilitates its exercise of independent supervision over management by ensuring sufficient representation by directors independent of management. The Board, at present, is composed of four directors, three of whom, Christopher I. Dyakowski, Jordan Trimble and Justin Kates, are considered to be independent. In determining whether a director is independent, the Board considers, for example, whether the director has a relationship which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management. On this basis, Simon Dyakowski, by reason of his office as President and Chief Executive Officer of the Company is not considered to be an independent director.

The Board is satisfied that it is not constrained in its access to information, in its deliberations, or in its ability to satisfy the mandate established by law to supervise the business and affairs of the Company and that there are sufficient systems and procedures in place to allow the Board to have a reasonable degree of independence from day-to-day management.

Other Directorships

The Company's current directors are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Name of Reporting Issuer
Christopher I. Dyakowski	Vizsla Resources Corp.
Jordan Trimble	Skyharbour Resources Ltd. Rockridge Resources Ltd.
Justin Kates	Global Gardens Group Inc. Permex Petroleum Corp. Sproutly Canada, Inc.

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. Notwithstanding the foregoing, all of the Company's directors are familiar with mineral and oil and gas exploration and, as such, orientation has not, to date, been required. Nevertheless, new directors are provided, through discussions and meetings with other directors, officers, and employees, with a thorough description of the Company's business, properties, assets, operations and strategic plans and objectives. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

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

Nomination of Directors

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

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

Compensation

The Board is responsible for determining all forms of compensation to be granted to the Chief Executive Officer and the Chief Financial Officer.

Other Board Committees

The Board has only one committee: the Audit and Finance Committee.

Assessments

The Board does not formally review the contributions of individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Company has appointed the Agent to offer for sale on a commercially reasonable efforts basis in British Columbia and Alberta a minimum of 2,500,000 Shares at a price of \$0.20 per Share (and up to 525,000 Additional Shares if the Over-Allotment Option is exercised) and 1,000,000 FT Shares at a price of \$0.25 per FT Share.

The completion of this Offering is subject to a minimum subscription of 2,500,000 Shares and 1,000,000 FT Shares (the "Minimum Offering"). If subscriptions representing the Minimum Offering are not received within 90 days of the issuance of a receipt for the (final) Prospectus, or if a receipt has been issued for an amendment to the (final) Prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of receipt for the (final) Prospectus, the Offering will cease. The Agent, pending closing of the Minimum Offering, will hold in trust all subscription funds received pursuant to the provisions of the Agency Agreement. If the Minimum Offering is not completed, the subscription proceeds received by the Agent in connection with the Offering will be returned to the subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

The Company has granted to the Agent an Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Agent, at any time not later than the 30th day following Closing, to arrange for the purchase of up to an additional 525,000 Additional Shares, representing approximately 15% of the number of Offered Securities at a price of \$0.20 per Additional Share, to cover over-allotments, if any, in connection with the sale of the Shares under this Prospectus and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total Price to the Public, Agent's Commission and Net Proceeds to the Company will be \$855,000, \$68,400 and \$786,600, respectively. A purchaser who acquires Additional Shares forming part of the Agent's over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares issuable upon exercise of the Over-Allotment Option.

The Company has applied to list the Common Shares distributed under this Prospectus on the TSXV. The listing is subject to the Company fulfilling all of the listing requirements of the TSXV, including prescribed distribution and financial requirements. The listing of the Common Shares

on the TSXV is a condition of closing of this Offering. There can be no assurance that the Company will meet all of the listing requirements of the TSXV.

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

None of the securities comprising the Offered Securities have been or will be registered under the U.S. Securities Act, or any state securities laws, and accordingly may not be offered, sold or delivered within the United States (as such term is defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except as permitted in the Agency Agreement, and as expressly permitted by applicable laws of the United States, the Agent will not offer, sell or deliver the Offered Securities within the United States.

Subject to the Minimum Offering being sold, the Agent will receive the Commission equal to 8% of the gross proceeds of Offered Securities including any Additional Shares sold. The Commission will be paid from the proceeds raised from the Offering (including any Additional Shares).

Upon completion of the Offering, the Agent will receive Agent's Warrants entitling it to acquire that number of Common Shares equal to 8% of the aggregate number of Offered Securities including any Additional Shares sold under the Offering except for Offered Securities and Additional Shares sold to purchasers under the President's List. Each Agent's Warrant is exercisable into one Agent's Warrant Share at \$0.20 per Agent's Warrant Share up to 24 months from the Closing.

For purchasers under the President's List, the Agent will receive the President's List Commission and Warrants.

The Company, on completion of the Offering, will pay the Agent a \$15,000 Corporate Finance Cash Fee and 75,000 Corporate Finance Shares. The Agent will also be reimbursed for its reasonable expenses including the fees and disbursements of its legal counsel. The Agent has received a retainer of \$20,000 towards such fees and expenses.

The obligations of the Agent under the Agency Agreement may be terminated prior to closing of the Offering at the Agent's discretion on the basis of its assessment of the state of the financial markets and may also be terminated at any time upon the occurrence of certain stated events.

The Company will not, from Closing and continuing for a period of 120 days from the Closing without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, directly or indirectly, (i) offer, issue, grant any option, right or warrant to purchase, or otherwise transfer or dispose of any Common Shares, financial instruments or securities convertible into or exercisable or exchangeable for Common Shares or announce any intention to do any of the foregoing, in a public offering, by way of private placement or otherwise (except (I) at no less than the Offering price of \$0.20, (II) pursuant to employee or executive incentive compensation arrangements issued in the normal course of business at no less than the Offering price of \$0.20, (III) pursuant to the exercise of warrants issued by the Company prior to the Offering, (IV) pursuant to the exercise of Agent's Warrants, or (V) for the acquisition of mineral exploration properties from arm's length parties in the normal course of business) or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares, whether any such transaction is to be settled by delivery of Common Shares, other securities, cash or otherwise.

From Closing and continuing for a period of 120 days from the Closing, except for transactions related to the Offering, the Company will use reasonable commercial efforts to ensure that none of the directors of the Company or the members of management of the Company who would own an interest in the

Company or any of its affiliates after the closing of the Offering, will, directly or indirectly, (i) offer, sell, contract to sell, secure, pledge, grant or sell any option, right or warrant to purchase, or otherwise lend, transfer or dispose of any Common Shares or securities convertible into or exercisable or exchangeable for Common Shares or (ii) make any short sale, engage in any hedging transaction, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares, whether any such transaction is to be settled by delivery of Common Shares, other securities, cash or otherwise (except, in either case, for the sale of Common Shares issuable upon exercise of stock options so as to offset any tax liability). In this regard, the Company shall use reasonable commercial efforts (which shall not require the payment of any compensation) to cause the directors and the members of its management to enter into lock up agreements with the Agent in a form acceptable to the Agent (the “**D&O Lock-up Agreements**”). The D&O Lock up Agreements shall contain provisions relating to an early release in relation to a *bona fide* take-over bid or business combination, or contributions of Common Shares by any of the above to RRSPs or TFSA's

The Company has also granted the Agent a right of first refusal to provide any future brokered equity financings the Company proposes to conduct from June 12, 2018 until 12 months from the Closing.

NI 41-101 restricts the number of Qualified Compensation Securities to a maximum of 10% of the Offered Securities including any Additional Shares. For the purposes of this Offering, any of combination of the following, totaling 350,000 securities (up to 402,500 securities if the Over-Allotment Option is exercised), are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (a) up to 75,000 Corporate Finance Shares; and (b) up to 280,000 Agent's Warrants (up to 322,000 Agent's Warrants if the Over-Allotment Option is exercised). To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Securities including any Additional Shares, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws.

Other than as disclosed in this Prospectus, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or Company in connection with the Offering.

In accordance with applicable laws and policies, the Agent may effect transactions that stabilize or maintain the market price of the Company's Common Shares at a level other than which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The directors, officers and other insiders of the Company may purchase Offered Securities under this Offering.

The price of the Offered Securities and the Commission was set by negotiations between the Company and the Agent.

It is expected that share certificates evidencing the Offered Securities in definitive form will be available for delivery at the closing of the Offering unless the Agent elects for electronic delivery through the non-certificated inventory (“NCI”) system of CDS Clearing and Depository Services Inc. (“CDS”) or its nominee. If delivered in NCI form, purchasers of Offered Securities will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Offered Securities were purchased.

RISK FACTORS

AN INVESTMENT IN THE OFFERED SECURITIES OF THE COMPANY IS SPECULATIVE IN NATURE AND INVOLVES A HIGH DEGREE OF RISK. IN ADDITION TO THE OTHER INFORMATION PRESENTED IN THIS PROSPECTUS, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS IN EVALUATING AN INVESTMENT IN THE OFFERED SECURITIES.

A purchase of any of the securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company 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 Company's securities prior to purchasing any of the securities.

Prospective investors should consult with their professional advisors to assess an investment in the Company.

The risks discussed below also include forward-looking statements and actual results may differ substantially from those discussed in these forward-looking statements. See "Cautionary Statement Regarding Forward-Looking Statements" in this Prospectus.

The securities offered by this Prospectus must be considered speculative, generally because of the nature of the Company's business. In particular:

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company 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 Company will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Company's interest in the Olivine Property. The Company's unallocated working capital will not suffice to fund the recommended Phase II exploration program on the Olivine Property.

Limited Operating History

The Company is an early stage company and the Olivine Property is an exploration stage property. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Olivine Property requires significant additional expenditures before any cash flow may be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

An investment in the Common Shares carries a high degree of risk and should be considered speculative by purchasers. There is little probability of dividends being paid on the Common Shares.

Lack of Operating Cash Flow

The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue its business. Further exploration and development of the Olivine Property will require the commitment of substantial financial resources. It may be several years before the Company will generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

There is not presently an active market for the Company's Common Shares.

There is currently no market for the securities offered by the Company and there can be no assurance that an active market will develop or be sustained after the Offering. The lack of an active public market could have a material adverse effect on the price of the Company's Common Shares. The price of the

Offered Securities to the public and the Commission to the Agent was established by negotiation between the Company and the Agent, and may not be indicative of fair market value or future market prices.

The future price of the Company Common Shares will vary depending on factors unrelated to the Company's performance or intrinsic fair value.

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability of the attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Common Shares on the TSXV in the future cannot be predicted.

The Company's ability to discovery commercial quantities of ore is uncertain.

Exploration for minerals is a speculative venture necessarily involving some substantial risk. The program proposed by the Company is an exploratory search for ore. There is no certainty that the expenditures to be made by the Company in the acquisition and exploration of the interests described herein will result in discoveries of commercial quantities of ore. The Olivine Property does not contain any known body of commercial ore.

The Company's ability to market ore discovered by the Company is uncertain and dependent on variables beyond the Company's control and subject to a high degree of variability and uncertainty.

Resource exploration and development is a speculative business and involves a high degree of risk. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

The Company's ability to develop commercially marketable ore depends on variables that are unknown at this time.

The grade of any ore ultimately mined from a mineral deposit may differ from that produced from drilling results. Production volumes and costs can be affected by such factors as the proximity and capacity of processing facilities, permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short-term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on the results of operations. Moreover, there can be no assurance that minerals recovered in small scale laboratory tests will be achieved under production scale conditions. Although precautions to minimize risks will be taken, processing operations are subject to hazards such as equipment failure or failure of tailings impoundment facilities, which may result in environmental pollution and consequent liability.

Some aspects of the Company's operations entail risk that cannot be insured against or may not be covered by insurance.

Mining operations generally involve a high degree of risk. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on the Company's financial position.

The calculation of the economic value of ore is subject to a high degree of variability and uncertainty.

There is a degree of uncertainty attributable to the calculation of reserves, resources and corresponding grades being dedicated to future production. Until reserves or resources are actually mined and processed, the quantity of reserves or resources and grades must be considered as estimates only. In addition, the quantity of reserves or resources may vary depending on metal prices. Any material change in the quantity of reserves, resource grade or stripping ratio may affect the economic viability of the Company's properties. In addition, there can be no assurance that mineral recoveries in small scale laboratory tests will be duplicated in large tests under on-site conditions or during production.

The Company's does not have a guarantee of title.

While the Company has obtained the usual industry standard title report with respect to its properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company must expend monies to carry out further work on the properties described in this Prospectus in order to keep in good standing the interests as described under the heading "Description of Business" and "Interest in Mineral Property" in this Prospectus.

Uncertainties about the resolution of aboriginal rights in British Columbia may affect the Company.

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

Community Groups

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

Some of the Company's mineral claims have not yet been surveyed.

The Company's properties include mineral claims which have not been surveyed, and therefore, the precise location of the mineral claims may be in doubt.

If the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Olivine Property

The Olivine Property is subject to the Olivine Option Agreement which requires the Company to make cash and share payments and incur expenditures in order to maintain its interest. The Company's ability to maintain an interest in the Olivine Property may be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make periodic payments and expenditures required for the maintenance or acquisition of these properties and

could result in a delay or postponement of further exploration and the partial total loss of the Company's interest in these properties.

Property Interests

The Company does not own the mineral rights pertaining to the Olivine Property. Rather, it holds an option to acquire the mineral rights. There is no guarantee the Company will be able to raise sufficient funding in the future to explore and develop the Olivine Property so as to maintain its interests therein. If the Company loses or abandons its interest in the Olivine 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 TSXV. There is also no guarantee that the TSXV will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the Olivine Property could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

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 the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the control of the Company. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of its Olivine Property as described herein will result in the discovery of commercial quantities of ore. The Company has no history of operating earnings and the likelihood of success must be considered in light of problems, expenses, etc. which may be encountered in establishing a business.

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs at the Olivine Property will result in the definition of bodies of commercial mineralization.

The Company is an early stage company.

The Company has only recently commenced operations and has no operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses and difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfil its obligations under applicable agreement. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Olivine Property with the possible dilution or loss of such interest. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of exploration programs and general market conditions for natural resources. There is no assurance that the Company can operated profitably or that it will successfully implement its plans.

The Company operates at a loss and may never generate a profit.

The Company operates at a loss and there is no assurance that the Company will ever be profitable. The Company had a negative operating cash flow in its most recently completed financial year and will continue to for the foreseeable future. The Company may not have enough funds to carry out its Phase II exploration program on the Olivine Property and additional financings may be required.

Tax authorities may unfavourably change the manner in which they treat mining activities and associated financing activities without notice.

The tax treatment applicable to mining activities and flow-through shares constitutes a major factor when considering an investment in the FT Shares. Investors are cautioned that the taxation laws and regulations and the current administrative practices of both the federal and provincial tax authorities may be amended or construed in such a way that the tax considerations for a subscriber acquiring FT Shares will be altered and, moreover, there may be differences of opinion between the federal and provincial tax authorities with respect to the tax treatment of the FT Shares, the status of such FT Shares and the activities contemplated by the Company's exploration programs. The FT Shares are designed for investors whose income is subject to high marginal tax rates. The right to deduct qualifying expenditures accrues to the initial subscriber/purchaser of the FT Shares and is not transferable. No guarantee can be given that Canadian tax laws will not be amended, that the amendments announced with respect to such laws will be adopted or that the current administrative policy or assessing practices of the tax authorities will not be modified. In addition, there is no guarantee that the CEE incurred (or deemed to be incurred) by the Company or the expected tax deductions will be accepted by the CRA, or that the CRA will agree that said CEE qualifies as "flow-through mining expenditures" for purposes of the Tax Act. Consequently, the tax considerations for subscribers holding or selling FT Shares may be fundamentally altered. See "Certain Canadian Tax Considerations". There is no guarantee that an amount equal to the gross proceeds of the sale of the FT Shares will be incurred or deemed to be incurred on or prior to December 31, 2019 as CEE that qualifies as "flow-through mining expenditures" for purposes of the Tax Act resulting in the deductions described under "Certain Canadian Tax Considerations". If the Company does not renounce to the subscriber, effective on or before December 31, 2018, CEE in an amount equal to the aggregate purchase price paid by such subscriber for the FT Shares, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Company shall indemnify the subscriber for an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by the subscriber (or if the subscriber is a partnership, the partners thereof) as a consequence of such failure or reduction; however, there is no guarantee that the Company will have the financial resources required to satisfy such indemnity.

The Company operates in a highly competitive environment.

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Company, in the search for and the acquisition of attractive mineral properties. The ability of the Company to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competition in acquiring such properties or prospects.

The Company operates in a highly regulated environment that is subject to changes, some unforeseen, to government policy.

The current or future operations of the Company, including exploration and development activities and commencement of production on its properties, require permits from various levels of government. 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. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. There can be no assurance however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations, particularly environmental permits, will be obtainable on reasonable terms or that compliance with such laws and regulations would not have an adverse effect on the profitability of any mining project that the Company might undertake.

Failure to comply with applicable laws, regulations and permit 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 the 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 Company 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.

Obtaining and Renewing Licenses and Permits

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Olivine Property. Obtaining or renewing the necessary governmental licenses or permits is a complex and time-consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from the Olivine Property. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Olivine Property.

The Company operates in an environment with significant environmental and safety regulations and risks

Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Environmental liability may result from mining activities conducted by others prior to the Company's ownership of its properties. To the extent the Company is subject to uninsured environmental liabilities, the payment of such liabilities would reduce funds otherwise available of the Company and could have a material adverse effect on the Company. Should the Company be unable to fund fully the cost of remedying an environmental problem, the Company might be required to suspend operations or enter into interim compliance measures.

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 the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating Company to control possible deleterious effluents and to re-establish to some degree pre-disturbance landforms and vegetation. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain

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

Regulatory Requirements

Even if the Olivine Property is proven to host economic reserves of precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of the Olivine Property, environmental legislation and mine safety.

Volatility of Mineral Prices

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

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Olivine Property. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Olivine Property will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other

intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Management

The success of the Company will be dependent upon the performance of its management and key employees. The loss of any key executive or manager of the Company may have an adverse effect on the future of the Company's business. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, geologic and mining personnel as well as additional operations staff. There is no assurance that it will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on its future cash flows, earnings, results of operations and financial condition.

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the

Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

The Company is Subject to Legal and Political Risks

Mineral exploration and mining activities may be affected in varying degrees by political instability, economic conditions, and changes in government regulations such as investment laws, tax laws, business laws, environmental laws and mining laws, affecting the Company's business. Government limitations, restrictions or requirements may be implemented. There can be no assurance that neighbouring countries' or provinces political and economic policies in relation to British Columbia or Canada, as applicable, will not have adverse economic effects on the exploration, and potentially, the development of the Company's assets, including with respect to ability to access power, transport and sell products, access construction labour, supplies and materials, and market conditions more generally.

Adverse General Economic Conditions

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral exploration sector, were impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity, the volatility of mineral prices would impact the Company's prospects, volatile energy, commodity and consumables prices and currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of its equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

In recent years, the securities markets in Canada, as well as in other countries around the world, 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 that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected

by market volatility. An active public market for the Common Shares might not develop or be sustained. If an active public market for the Common Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Common Shares may decline.

Claims and Legal Proceedings

The Company may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including relating to former employees. These matters may give rise to legal uncertainties or have unfavourable results. The Company may carry liability insurance coverage and mitigate risks that can be reasonably estimated; however, there is a risk that insurance may not be adequate to cover all possible risks arising from the Company's operations. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact the Company's financial position, cash flow, results of operations, and reputation, regardless of the specific outcome.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Uncertainty of Use of Proceeds

Although the Company has set out its intended use of proceeds in this Prospectus, these intended uses are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company's business, including the Company's ability to achieve its stated business objectives.

Some of the Company's directors have significant involvement in other companies in the same sector.

Certain of the directors of the Company serve as directors of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a Board meeting, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for 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 laws of the Province of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The value of the Offered Securities may be significantly diluted.

A substantial number of Common Shares were issued at prices that were substantially less than the price of the Offered Securities. This will result in a significant dilution of the value of the Offered Securities.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying

asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally. The value of Common Shares distributed hereunder will be affected by such volatility.

Reporting Issuer Status

As a reporting issuer, the Company will be subject to reporting requirements under applicable securities law and stock exchange policies. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Management of the Company expects that being a reporting issuer will make it more expensive to maintain director and officer liability insurance. This factor could also make it more difficult for the Company to retain qualified directors and executive officers.

PROMOTERS

Simon Dyakowski, Chief Executive Officer, President and a director of the Company is a Promoter of the Company. The following table provides the number and percentage of each class of voting securities of the Company beneficially owned, or controlled or directed, directly or indirectly, by the Promoter:

Name	Number of Voting Securities ⁽¹⁾	Percentage of Voting Securities Prior to Closing of Offering ⁽²⁾	Percentage of Voting Securities After Closing of Offering ⁽³⁾
Simon Dyakowski	1,500,000	22.90%	14.81%

(1) These Common Shares are subject to escrow restrictions imposed by NP 46-201. See "Escrowed Securities and Resale Restrictions on Securities" in this Prospectus.

(2) As at the date hereof, the Company has 6,550,000 Common Shares issued and outstanding.

(3) After Closing of the Offering, assuming the Agent has not exercised the Agent's Warrants, none of the Principals have purchased any of the Offered Securities and assuming no exercise of the Over-Allotment Option, the Company will have 10,125,000 Common Shares issued and outstanding.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not a party to any legal proceedings or regulatory actions nor does the Company contemplate any such proceedings or regulatory actions.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this Prospectus, no director, officer, or person or company that beneficially owns or controls or directs, directly or indirectly, more than 10% of the outstanding voting securities, or an associate or affiliate of any of those persons or companies, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction which has materially affected or is reasonably expected to materially affect the Company, since the inception of the Company.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is neither a “connected issuer” nor a “related issuer” of the Agent as defined in National Instrument 33-105 – *Underwriting Conflicts*.

INTEREST OF EXPERTS

The following is a list of the other persons or companies named as having prepared or certified a statement, report or valuation in respect of the Company in this Prospectus, either directly or in a document incorporated by reference herein, and whose profession or business gives authority to the statement, report or valuation made by the person or company:

1. MNP LLP, Chartered Professional Accountants at 2200 – 1021 West Hastings Street, Vancouver, B.C., V6E 0C3 acted as the Company’s auditors with respect to the audited financial statements for the period from incorporation to May 31, 2018;
2. AFG Law LLP counsel to the Company provided the opinions under the heading “Certain Canadian Tax Considerations” and “Eligibility for Investment”. Nick Ayling, a partner of AFG Law LLP, owns 200,000 Common Shares and Ben Grant, a partner of AFG Law LLP, owns 75,000 Common Shares; and
3. John R. Kerr, P.Eng., of 215 – 515 West Pender Street, Vancouver, B.C. V6B 6H5. Mr. Kerr prepared the Technical Report on the Olivine Property. Mr. Kerr is independent from the Company within the meaning of NI 43-101.

To the Company’s knowledge, other than as disclosed above, none of the above-mentioned persons or companies holds, nor are they expected to receive, directly or indirectly, any beneficial or registered interest, direct or indirect, in any securities or property of the Company or any associate or affiliate of the Company.

MATERIAL CONTRACTS

There are no material contracts entered into by the Company and currently in effect other than as disclosed in this Prospectus as follows:

1. The Agency Agreement dated ●, 2018 between the Company and the Agent described under “Plan of Distribution” herein;
2. The Escrow Agreement dated August 8, 2018 between Computershare Investor Services Inc., the Company, each of the Principals and non-Principal Shareholders of the Company as described in the section captioned “Escrowed Securities and Resale Restrictions on Securities” herein;
3. The Olivine Option Agreement dated February 23, 2018 between the Company and Platinum Belt Resources Inc. described under the heading “Interest in Mineral Property”.

Material contracts may be inspected at the offices of AFG Law LLP, Vancouver, B.C. during normal business hours during the period of distribution of the securities being offered under this Prospectus and for a period of 30 days thereafter.

OTHER MATERIAL FACTS

There are no other material facts relating to the offering of securities under this Prospectus other than as disclosed herein.

AUDITOR, TRANSFER AGENT AND REGISTRAR AND AUDITOR

The Registrar and Transfer Agent for the Company is Computershare Investor Services Inc. of 3rd Floor – 510 Burrard Street, Vancouver, B.C. V6C 3B9.

The Auditor for the Company is MNP LLP, Chartered Professional Accountants at 2200 – 1021 West Hastings Street, Vancouver, B.C., V6E 0C3.

FINANCIAL STATEMENTS, REPORT AND OTHER EXHIBITS

Audited financial statements for the year ended May 31, 2018 are attached to this in this Prospectus at Schedule B.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of British Columbia and Alberta provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission revisions of the price or damages if the prospectus and any amendment contain 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 the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

SCHEDULE A

**AUDIT AND FINANCE COMMITTEE CHARTER
OF THE BOARD OF DIRECTORS OF GSP RESOURCE CORP.**

GSP RESOURCE CORP.
(the “Company”)

AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

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

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

2. Authority

The Committee has the authority to:

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

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

3. Composition and Expertise

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

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

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

4. Meetings

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

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

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

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

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

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

5. Committee and Charter Review

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

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

6. Reporting to the Board

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

7. Duties and Responsibilities

- (a) Financial Reporting

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

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

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

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

(c) Relationship with the Auditor

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

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;

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

(d) Accounting Policies

The Committee is responsible for:

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

(e) Risk and Uncertainty

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

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

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

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

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

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

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

(g) Compliance with Laws and Regulations

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

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

(h) Related Party Transactions

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

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

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

8. Non-Audit Services

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

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

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

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

10. Procedure For Reporting Of Fraud Or Control Weaknesses

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

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

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

11. Hiring Policies

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

SCHEDULE B
AUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM
INCORPORATION ON FEBRUARY 19, 2018 TO MAY 31, 2018

GSP RESOURCE CORP

Financial Statements
(Expressed in Canadian Dollars)

From incorporation on February 19, 2018 to
May 31, 2018

Management's Responsibility for Financial Reporting

To the Shareholders of GSP Resource Corp (the "Company"):

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of GSP Resource Corp. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board of Directors is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

August ●, 2018

"Simon Dyakowski"
CEO

"Kenneth Phillippe"
CFO

Independent Auditors' Report

To the Shareholders of GSP Resource Corp:

We have audited the accompanying financial statements of GSP Resource Corp, which comprise the statements of financial position as at May 31, 2018, and the statements of loss and comprehensive loss, changes in equity and cash flows for the period from incorporation on February 19, 2018 to May 31, 2018, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' 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 in our audits 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 GSP Resource Corp as at May 31, 2018, and its financial performance and its cash flows for the period from incorporation on February 19, 2018 to May 31, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which states that GSP Resource Corp. incurred loss and negative cash flows. This, along with other matters described in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the ability of GSP Resource Corp. to continue as a going concern.

Vancouver, British Columbia
August ●, 2018

Chartered Professional Accountants

GSP RESOURCE CORP

Statement of Financial Position
Expressed in Canadian dollars

As at	May 31, 2018
	\$
ASSETS	
Current assets	
Cash	244,452
GST receivable	5,571
Total current assets	250,023
Deferred financing costs	3,665
Exploration and evaluation assets (Note 4)	126,416
Total assets	380,104
LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	5,925
Due to related parties	12,824
Total current liabilities	18,749
Deferred tax liability	25,377
Total liabilities	44,126
SHAREHOLDERS' EQUITY	
Share capital (Note 5)	364,250
Deficit	(28,272)
Total shareholders' equity	335,978
Total liabilities and shareholders' equity	380,104

Note 1 - Nature of operations and going concern
Note 7 - Commitments

These financial statements are authorized for issue by the Board of Directors on August ●, 2018:

They are signed on the Company's behalf by:

"Simon Dyakowski"
Director

"Chris Dyakowski"
Director

The accompanying notes are an integral part of these financial statements

GSP RESOURCE CORP

Statement of Loss and Comprehensive Loss
Expressed in Canadian dollars, except for number of shares

	From incorporation on February 19, 2018 to May 31, 2018
	\$
General and administrative expenses	
Office and miscellaneous	252
Professional fees	2,643
Loss before income taxes	2,895
Deferred tax expense	25,377
Net loss and comprehensive loss for the period	28,272
Basic and diluted loss per share	(0.01)
Weighted average number of common shares	
- Basic and diluted	4,389,216

The accompanying notes are an integral part of these financial statements

GSP RESOURCE CORP

Statement of Cash Flows
Expressed in Canadian dollars

	From incorporation on February 19, 2018 to May 31, 2018
	\$
Operating activities	
Net loss for the period	(28,272)
Changes in non-cash working capital items:	
GST receivable	(5,571)
Accounts payable and accrued liabilities	5,925
Due to related parties	383
Deferred tax liability	25,377
Net cash flows used in operating activities	(2,158)
Investing activities	
Exploration and evaluation assets investments	(113,975)
Net cash flows used in investing activities	(113,975)
Financing activities	
Deferred finance costs	(3,665)
Common shares issued for cash, net of share issue costs	364,250
Net cash flows provided by financing activities	360,585
Increase in cash	244,452
Cash, beginning of period	-
Cash, end of period	244,452

The accompanying notes are an integral part of these financial statements

GSP RESOURCE CORP

Statements of Changes in Equity
Expressed in Canadian dollars, except for number of shares

	Common shares		Deficit	Total
	Number	Amount		
		\$	\$	\$
Balance, incorporation on February 19, 2018	-	-	-	-
Shares issued for cash pursuant to private placements:				
@ \$0.005 per share	1,850,000	9,250	-	9,250
@ \$0.05 per share (flow-through)	2,300,000	115,000	-	115,000
@ \$0.10 per share	2,400,000	240,000	-	240,000
Net loss and comprehensive loss for the period	-	-	(28,272)	(28,272)
Balance, May 31, 2018	6,550,000	364,250	(28,272)	335,978

The accompanying notes are an integral part of these financial statements

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

1. Nature and Continuance of Operations and Going Concern

The Company was incorporated on February 19, 2018 under the Business Corporations Act (British Columbia) under the name GSP Resource Corp. The Company's principal business activity is the exploration of mineral properties. The Company currently conducts substantially all of its operations in Canada in one business segment.

On February 23, 2018, the Company entered into an option agreement to acquire a 100% interest in 25 mineral claims located in the Similkameen Mining Division in the Province of British Columbia. (See Note 4)

The head office and principal address of the Company is located at 3750 West 49th Avenue, Vancouver, B.C., V6N 3T8.

The Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and exploration costs is dependent upon the existence of economically recoverable ore reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

These financial statements have been prepared using accounting principles applicable to a going concern which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company emphasises that attention should be drawn to matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern the most significant of these being the Company's ability to carry out its business objectives dependent on the Company's ability to receive continued financial support from related parties, to obtain public equity financing, or to generate profitable operations in the future. Other uncertainties include the fact that the Company is currently in the exploration stage for its interests in the Olivine Mountain property in British Columbia, Canada (see Note 3), the economic viability of which have not been fully assessed. The Company has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of capitalized costs on the Olivine Mountain property is uncertain and dependent upon projects achieving commercial production or sale. The outcome of these matters cannot be predicted at this time. The Company is considering a number of alternatives to secure additional capital including obtaining funding facilities or equity financings. Although management intends to secure additional financing there is no assurance management will be successful or that it will establish future profitable operations. These factors together raise substantial doubt about the Company's ability to continue as a going concern.

	May 31 2018
Deficit	\$ (28,272)
Working capital	\$ 231,274

If the going concern assumption was not appropriate for these financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used and such amounts would be material.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

2. Significant Accounting Policies

Basis of presentation

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

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting.

The financial statements were approved by the Board of Directors of the Company on August 1, 2018.

Cash

Cash consists of cash on hand and deposits in banks with no restrictions. Cash equivalents include money market instruments that are readily convertible to cash and have maturities at the date of purchase of less than ninety days. There were no cash equivalents as at May 31, 2018.

Exploration and evaluation assets

The Company is in the exploration stage with respect to its investment in mineral interests. Accordingly, once a license to explore an area has been secured, the Company follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of exploration and evaluation assets. Such costs, include, but are not limited to, geological and 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 resources. The aggregate costs related to abandoned exploration and evaluation assets are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment.

Mining exploration tax credit

Mining tax credits are recorded as a reduction of the related deferred exploration expenditures upon receipts from the Canada Revenue Agency (“CRA”). These non-repayable mining credits are earned in respect to exploration costs incurred in British Columbia, Canada and are recorded as a reduction of the related exploration expenditures.

Asset retirement obligation

Provisions for the decommissioning, restoration and rehabilitation are recognized in other liabilities when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of capital will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at management’s best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material. Upon initial recognition of the liability, the corresponding costs are added to the carrying amount of the related asset and amortized as an expense, using a systematic method, over the economic life of the asset. Following initial recognition of the asset retirement obligation, the carrying amount of the liability is adjusted annually for the passage of time and changes to the amount or timing of the underlying cash flows needed to settle the obligation. The Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts. The Company does not have any asset retirement obligation as at May 31, 2018.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

2. Significant Accounting Policies (cont'd...)

Related party transactions

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

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share purchase warrants are recognized as a deduction from equity, net of any tax effects.

Flow-through shares

Flow-through shares expenditure deductions for income tax purposes related to exploratory activities funded by flow-through equity instruments are renounced to investors in accordance with income tax legislation. The proceeds from issuance are allocated between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A flow through share premium liability is recognized for this difference, and included in deferred tax recovery at the time the qualifying expenditures are made.

A deferred tax liability equal to the tax value of flow-through expenditures renounced is recognized once the Company has fulfilled its obligations associated with the renunciation of related flow-through expenditures. In respect of a retrospective renunciation, such obligation is considered to have been fulfilled when eligible expenditures have been incurred and management establishes the intent to make renunciation filings with the appropriate taxation authorities. In respect of prospective renunciation (i.e., a look-back renunciation), the obligation is considered to be fulfilled once related flow-through expenditures have been incurred.

Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to equity financing transactions are recorded as deferred share issue costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred share issue costs related to financing transactions that are not completed are charged to expenses.

Share purchase warrants

The Company bifurcates units consisting of common shares and share purchase warrants using the residual value approach whereby it first measures the common share component of the unit at fair value using quoted market prices as input values and then allocates any residual amount to the warrant component of the unit. The residual value of the warrant component is credited to contributed surplus. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants. When warrants are exercised, the corresponding assigned value of the warrants is reclassified to share capital. Warrants that are issued as payments for agency fee or other transactions costs are accounted for as share-based payments.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

2. Significant Accounting Policies (cont'd...)

Share based payments

Share based payments to directors, officers and consultants are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received. The corresponding amount is recorded to the contributed surplus. The Company applies the fair value method of accounting for share-based payments and the fair value is calculated using the Black-Scholes option pricing model.

Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury method. The treasury method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Diluted loss per share is equal to the basic loss per share as the outstanding options and warrants are anti-dilutive.

Deferred financing costs

Costs directly identifiable with the raising of capital will be charged against the related capital stock. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are not issued.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent it relates to items recognized directly in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

2. Significant Accounting Policies (cont'd...)

Segment information

The Company currently conducts substantially all of its operations in Canada under one business segment.

Financial instruments

The Company's financial instruments consist of cash, accounts payable and accrued liabilities and due to related parties. Cash are classified as fair value through profit or loss and recorded at fair value. Due to related parties are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statements of loss and comprehensive loss.

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payment that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statements of loss and comprehensive loss.

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statements of loss and comprehensive loss.

All financial assets, except those at fair value through profit or loss, are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence that a financial asset or a group of financial assets is impaired. Different criteria are applied for each category of financial assets described above to determine impairment.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

2. Significant Accounting Policies (cont'd...)

Financial instruments (cont'd...)

Fair value through profit or loss – This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statements of operation and comprehensive loss.

Other financial liabilities – This category includes accounts payables and accrued liabilities, which is recognized at amortized cost.

Standards issued but not yet effective

The Company has not yet applied the following new standards, interpretations or amendments to standards that have been issued as at May 31, 2018 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations and intends to adopt those standards when they become effective.

The Company does not expect the impact of such changes on the financial statements to be material, unless otherwise stated.

IFRS 9 Financial instruments (“IFRS 9”)

IFRS 9, issued on July 24, 2014, is the IASB’s replacement of IAS 39, Financial Instruments: Recognition and Measurement (IAS 39”). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new “expected credit loss” model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted. The restatement of prior periods is not required and is only permitted if information is available without the use of hindsight. The Company currently does not practice hedge accounting, but will continue to evaluate the impact of the change to the consolidated financial statements based on the characteristics of financial instruments outstanding at the time of adoption of IFRS 9.

IFRS 16, Leases (“IFRS16”)

IFRS 16 was issued on January 13, 2016 and replaces the current guidance in IAS 17, Leases (“IAS17”). IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS16’s approach to lessor accounting substantially unchanged from IAS17. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company’s financial statements.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

3. Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgment is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

Significant areas where management's judgment has been applied include:

- **Impairment of exploration and evaluation assets (E&E assets)**
In accordance with the Company's accounting policy, the Company's E&E assets are evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, a formal estimate of recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as market and economic conditions, metal prices, future plans for the Company's mineral properties and mineral resources and/or reserve estimates.

Management has assessed for impairment indicators for the Company's E&E assets as of May 31, 2018 and has concluded that no indicators of impairment were identified, and the Company plans to continue with its objective of developing the Olivine Mountain Mineral Property.

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

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

- **Asset retirement obligations**
Management's assumption that there are currently no asset retirement obligation is based on the facts and circumstances that have existed during the period. The estimated obligations and actual costs may change significantly due to changes in regulations, technology, timing of the expenditure and the discount rates used to determine the net present value of the obligations.
- **Current and deferred tax taxation**
Estimations of the tax asset or liability require assessments to be made based on the potential tax treatment of certain items that will only be resolved once finally agreed with the relevant tax authorities. Assumptions underlying the composition of deferred tax assets and liabilities include estimates of future financial performance and the timing of reversal of temporary differences as well as the tax rates and laws in each respective jurisdiction at the time of the expected reversal. As of May 31, 2018, the Company has recorded deferred tax liability of \$25,377.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

4. Exploration and Evaluation Assets

Olivine Mountain Property, Similkameen Mining Division, British Columbia

On February 23, 2018, the Company entered into an option agreement to acquire a 100% interest in 25 mining claims located in the Similkameen Mining District of British Columbia. To acquire the 100% interest, the Company must make cash payments of \$105,000, issue 200,000 of the Company's common shares and incur aggregate minimum exploration expenditure of \$300,000 on the Olivine Property as follows:

Date	Cash	Shares	Minimum Exploration Expenditures
Within 10 days after execution and delivery of the Agreement (paid)	\$ 15,000	-	
Within 10 days of the "Listing Date", which is five days after the date of the final TSXV bulletin approving the listing of the Company's Common Shares and the acceptance by the TSXV of the Option Agreement.	\$ 20,000	200,000	
Six-month anniversary of the Listing Date	\$ 20,000	-	
Twelfth-month anniversary of the Listing Date	\$ 25,000	-	\$100,000
Eighteenth anniversary of the Listing Date	\$ 25,000	-	-
Twenty-fourth month anniversary of the Listing Date	-	-	\$200,000
	<u>\$ 105,000</u>	<u>200,000</u>	<u>\$300,000</u>

During the term of the option, the Company is required to keep the claims in good standing.

These claims are also subject to a 2% Net Smelter Return ("NSR") Royalty payable commencing from the date upon which the Property is put into commercial production, 100% of which can be acquired at a purchase price of \$1,00,000 for each one-half (50%) of the NSR Royalty, leaving the Optionor with no (nil) NSR Royalty after payment of \$2,000,000.

Expenditures related to the property can be summarized as follows:

	Balance May 31, 2018
	\$
Acquisition costs	
Additions during the period	
Property option payments - cash	15,000
	<u>15,000</u>
Exploration costs	
Additions during the period	
Airborne geophysical survey	85,000
Fieldwork	1,000
Project management (Note 6)	14,532
Technical report	10,634
Travel, supplies and field expenses	250
	<u>111,416</u>
Balance, end of period	<u>126,416</u>

5. Share Capital

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

a) Authorized:

Unlimited number of common shares with no par value.

b) Issued and Outstanding

As at May 31, 2018, 6,550,000 common shares with no par value were issued and outstanding.

During the period from incorporation on February 19, 2018 to May 31, 2018 the Company issued Common Shares of the Company (the "Shares") as follow:

- 1,850,000 Shares at a price of \$0.005 per Share for gross proceeds of \$9,250.
- 2,300,000 flow-through Common Shares of the Company (the "FT Shares") at a price of \$0.05 per FT Share for gross proceeds of \$115,000. Each FT Share is a Common Share of the Company that qualifies as a "flow-through share" within the meaning of the Tax Act.
- 2,400,000 Shares at \$0.10 per Share for gross proceeds of \$240,000.

c) Flow-through shares

The Company issued 2,300,000 common shares on a flow-through basis at a price of \$0.05 per share for gross proceeds of \$115,000 (see note 5b).

The Company intends to renounce the total proceeds of \$115,000 as of December 31, 2018. As at May 31, 2018, the Company has incurred approximately \$96,884 of qualified expenditures. The Company has \$18,116 unspent flow-through proceeds.

6. Related Party Balances and Transactions

During the period from incorporation on February 19, 2018 to May 31, 2018, the Company had the following related party transactions:

- (a) Included in exploration and evaluation assets is \$14,532 paid to a company controlled by a Director of the Company for project management services and \$1,250 for fieldwork and traveling costs paid by the company to the Director. Included in accounts payable at May 31, 2018, the Company had \$12,441 due to this company.
- (b) Included in accounts payable at May 31, 2018, the Company had \$383 due to its Chief Executive Officer for expenditures incurred on behalf of the Company.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

7. Commitments

See Note 4.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

8. Financial Instruments

The Company's financial instruments are exposed to certain financial risks, including liquidity risk, credit risk and interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they become due. Refer to note 1 for further details related to the ability of the Company to continue as a going concern.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2018, the Company had a cash balance of \$244,452 to settle accounts payable and accrued liabilities of \$5,925 and due to related parties of \$12,824. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The carrying amounts of financial assets best represent the maximum credit risk exposure at the reporting date.

Cash is held with reputable banks in Canada. The long-term credit rating of these banks, as determined by Standard and Poor's, was A+.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. An immaterial amount of interest rate exposure exists in respect of cash balances on the statement of financial position. As a result, the Company is not exposed to material cash flow interest rate risk on its cash balances.

Fair value hierarchy

The Company applied the following fair value hierarchy which prioritizes the inputs used in the valuation methodologies in measuring fair value into three levels:

The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's financial instruments are cash and accounts payable and accrued liabilities. Cash is measured at fair value and is considered to be Level 1 instruments.

Financial instruments that are not measured at fair value are represented by other receivable and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying value due to their short-term nature.

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

9. 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, exploration and development 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 Olivine Mountain property claims in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. 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.

The capital structure of the Company consists of shareholder's equity, comprising issued capital and deficit. The Company is not exposed to any externally imposed requirements. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

10. Income Taxes

The following table reconciles the expected income taxes expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statement of loss and comprehensive loss for the period ended May 31, 2018:

	2018
	\$
Net loss before tax	(2,895)
Statutory tax rate	12.00%
Expected income tax (recovery)	(347)
Change in enacted tax rate	14,098
Flow-through share premium	11,626
Total income tax expense (recovery)	25,377

	2018
	\$
Current income tax expense (recovery)	-
Deferred tax expense (recovery)	25,377
Total income tax expense (recovery)	25,377

The deferred taxes assets and liabilities reflect the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values.

The unrecognized deductible temporary differences as at May 31, 2018 are comprised of the following:

GSP RESOURCE CORP

Notes to Financial Statements

Incorporation on February 19, 2018 to May 31, 2018

Expressed in Canadian dollars

10. Income Taxes (cont'd...)

	2018
	\$
Non-capital losses carry forward	17,428
E&E assets	(111,416)
Deferred tax assets (liabilities)	(93,988)

The Company has \$nil of Investment Tax Credits ("ITCs") that are available to reduce future taxes payable. The ITCs will expire in 2038.

The Company has not recognized a deferred tax asset in respect of the non-capital losses of approximately \$17,428 which may be carried forward to apply against future income for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in year 2038.

SCHEDULE C
MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD FROM
INCORPORATION ON FEBRUARY 19, 2018 TO MAY 31, 2018

GSP RESOURCE CORP

Management Discussion and Analysis

For the period from Incorporation on February 19, 2018 to May 31, 2018

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of May 31, 2018. These assumptions, which include, management's current expectations, estimates and assumptions about the global economic environment may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) inability to locate and identify potential business acquisitions, (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control. There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Unless otherwise required by applicable securities laws, the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new events, circumstances and information, future events or results or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

All capitalized terms not defined herein have the meanings ascribed to them in the long form prospectus of the Company (the "Prospectus").

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of August ●, 2018 and should be read in conjunction with the audited financial statements of GSP Resource Corp for the period from incorporation on February 19, 2018 to May 31, 2018. The May 31, 2018 Financial Statements are prepared in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. Unless expressly stated otherwise, all financial information is presented in Canadian dollars.

The financial statements were approved by the Board of Directors of the Company on August ●, 2018.

GSP RESOURCE CORP

Management Discussion and Analysis

For the period from Incorporation on February 19, 2018 to May 31, 2018

1.2 – Overall Performance

Nature of Business

GSP Resource Corp. (“GSP” or the “Company”) was incorporated as “GSP Resource Corp.” under the Business Corporations Act (British Columbia) on February 19, 2018.

The Company’s principal business activity is the exploration of mineral properties. The Company currently conducts substantially all of its operations in Canada in one business segment.

The head office and principal address of the Company is located at 3750 West 49th Avenue, Vancouver, B.C., V6N 3T8

On February 23, 2018, the Company entered into the Olivine Option Agreement with Platinum Belt Resources Inc., the Optionor, to acquire a 100% interest in 25 mineral claims comprising the Olivine Property located in the Similkameen Mining Division in the Province of British Columbia. The Olivine Property is the sole property of the Company.

The Company has never generated revenue or positive cash flows from operations. For the period from incorporation on February 19, 2018 to May 31, 2018, the Company reported a net loss of (\$44,461), cash deficiency from operating activities of (\$35,503) and has an accumulated deficit of (\$44,461). This raises significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue its operations as intended are dependent on its ability to obtain necessary financing and raise capital sufficient to cover its operating costs.

Operations during the period from incorporation on February 19, 2018 to May 31, 2018 were primarily related to obtaining the necessary financing, as well as conducting the initial exploration program. During the period the Company incurred exploration and evaluation assets expenditures in the amount of \$126,416. See” Olivine Property, Similkameen Mining Division, British Columbia.”.

The Company has only recently commenced operations and has a history of no operating earnings. The Company had a negative operating cash flow in its most recently completed financial year and will continue to for the foreseeable future.

An investment in a natural resource company involves a significant degree of risk. The degree of risk increases substantially where the company’s properties are in the exploration stage as opposed to the development stage. The mineral exploration and mining business is competitive in all of its phases.

In the event that the Company’s exploration program is successful, the Company will require additional financing in order to further develop the Company’s property. The Company may not have enough funds to carry out its Phase II exploration program on the Olivine Property and additional financings may be required.

The property of the Company does not contain any known body of commercial ore. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond control of the Company. The grade of any ore ultimately mined from a mineral deposit may differ from that produced from drilling results. Mining operations generally involve a high degree of risk. There is a degree of uncertainty attributable to the calculation of reserves, resources and corresponding grades being dedicated to future production.

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For the period from Incorporation on February 19, 2018 to May 31, 2018

See “RISK FACTORS AND UNCERTAINTIES”.

Financing

During the period from Incorporation on February 19, 2018 to May 31, 2018 the Company issued 6,550,001 common shares for net proceeds in the amount of \$364,250. See “Share Capital”.

It is the Company’s intention to raise additional capital pursuant to the Offering. In connection thereto, the Company has advanced to Canaccord Genuity Wealth Management \$20,000 retainer to be applied toward the legal costs associated with the Offering. In addition, as at May 31, 2018 the Company has incurred legal fees in the amount of \$3,665 for the preparation of a Preliminary Prospectus intended for use for the Offering. The Company has reflected these expenditures in the financial statements as deferred financing costs.

Olivine Property, Similkameen Mining Division, British Columbia

On February 23, 2018, the Company entered into an option agreement (the Olivine Option Agreement) to acquire a 100% interest in 25 mining claims located in the Similkameen Mining District of British Columbia. To acquire the 100% interest, the Company must make cash payments of \$105,000, issue 200,000 of the Company’s common shares and incur aggregate minimum explorations expenditures as follows:

Date	Cash	Shares	Minimum Exploration Expenditures
Within 10 days after execution and delivery of the Agreement (paid)	\$ 15,000	-	
Within 10 days of the “Effective Date”, which is five days after the date of the final TSXV bulletin approving the listing of the Company’s Common Shares and the acceptance by the TSXV of the Olivine Option Agreement.	\$ 20,000	200,000	
Six-month anniversary of the Effective Date	\$ 20,000	-	
Twelfth-month anniversary of the Effective Date	\$ 25,000	-	\$100,000
Eighteenth anniversary of the Effective Date	\$ 25,000	-	-
Twenty-fourth month anniversary of the Effective Date	-	-	\$200,000
	<u>\$ 105,000</u>	<u>200,000</u>	<u>\$300,000</u>

During the term of the option, the Company is required to keep the claims in good standing.

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These claims are also subject to a 2% Net Smelter Return (“NSR”) Royalty payable commencing from the date upon which the Olivine Property is put into commercial production, 100% of which can be acquired at a purchase price of \$1,00,000 for each one-half (50%) of the NSR Royalty, leaving the Optionor with no (nil) NSR Royalty after payment of \$2,000,000.

Expenditures related to the Olivine Property can be summarized as at May 31, 2018 as follows:

	Balance May 31, 2018
	\$
Acquisition costs	
Additions during the period	
Property option payments	
- cash	15,000
	<u>15,000</u>
Exploration costs	
Additions during the period	
Airborne geophysical survey	85,000
Fieldwork	1,000
Project management	14,532
Technical report	10,634
Travel, supplies and field expenses	250
	<u>111,416</u>
Balance, end of period	<u><u>126,416</u></u>

1.3 – Selected Annual Information

As at	May 31, 2018
	\$
Current Assets	250,023
Deferred finance costs	3,655
Mineral Assets	<u>126,416</u>
Total Assets	<u>380,104</u>
Current Liabilities	<u>18,749</u>
Deferred tax liability	<u>25,377</u>
Total liabilities	44,126
Shareholders' Capital	364,250
Deficit	<u>(28,272)</u>
Shareholders' Equity	<u>335,978</u>
Total Liabilities and Shareholders' Equity	<u>380,104</u>

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For the period from Incorporation on February 19, 2018 to May 31, 2018

1.4 – Results of Operations

	From Incorporation on February 19, 2018 to May 31, 2018
	\$
Revenue	-
General and administrative expenses	
Office and miscellaneous	252
Professional fees	2,643
Loss before income taxes	2,895
Deferred tax	25,377
Net loss and comprehensive loss for the period	28,272
Basic and diluted loss per share	(0.01)

No cash dividends have been paid during the period from incorporation on February 19, 2018 to May 31, 2018.

Operations during the period from incorporation on February 19, 2018 to May 31, 2018 were primarily related to obtaining the necessary financing, as well as conducting the initial exploration program on the Olivine Property. Please see disclosure under “Olivine Mountain Property, Similkameen Mining Division, British Columbia”.

There were no investor relations arrangements entered into during period ended May 31, 2018. There were no legal proceedings, contingent liabilities, and defaults under debt or other contractual obligations, breach of any laws or special resolutions during the period ended May 31, 2018.

During period from incorporation on February 19, 2018 to May 31, 2018, the Company incurred operating expenses of \$2,895. Company incurred office and miscellaneous expenditures for bank fees in the amount of \$252 in connection with the maintenance of its office. Professional fees of \$2,643 were incurred for legal services in connection with the establishment of the corporation’s business, including drafting contacts and agreements.

A provision for deferred tax expense in the amount of \$25,377 reflects the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values.

The Company will undertake to incur (or be deemed to incur) sufficient CEE that qualify as “flow-through mining expenditures” (for purposes of the Tax Act), on or before December 31, 2019 so as to enable the Company to renounce, effective on or before December 31, 2018, in favour of subscribers of FT Shares, an amount equal to the aggregate purchase price for the FT Shares paid by such subscriber.

In the event that the Company does not incur (or is not deemed to have incurred) CEE on or before December 31, 2019 in an amount at least equal to the amounts renounced with respect to the FT Shares

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to the purchasers of FT Shares, the Company will be required to reduce the amount of CEE renounced to the Holders and the Holders' income tax returns for the years in which the CEE was claimed will be reassessed accordingly. A Holder that is an individual will not be subject to any penalties for any such reassessment and will not be subject to any interest charges for any additional taxes payable if such taxes are paid by the individual Holder on or prior to April 30, 2020.

1.5 – Summary of Quarterly Results (Unaudited)

The following table sets out selected quarterly information for the eight most recent quarters:

Fiscal quarters ended May 31, 2018	May 31, 2018 \$	February 28, 2018 \$
Sales or Revenue	-	-
Income (loss)	(27,707)	(565)
Income (loss) per common share (Basic and Diluted)	(0.01)	(0.00)

- *For the period from Incorporation on February 19, 2018 to November 30, 2017*

1.6 – Liquidity

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2018 the Company had a cash balance of \$244,452 to settle accounts payable and accrued current liabilities of \$18,749. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

As at May 31, 2018, the Company had cash on hand of \$244,452.

During the period from incorporation on February 19, 2018 to May 31, 2018, cash used in operating activities was \$2,158, cash used in investing activities was \$113,975, cash provided by financing activities was \$360,585.

Shareholder's equity as at May 31, 2018 was \$335,975. The Company will need to raise additional sources of funding to maintain operations at the currently level. The Company has raised share capital of \$364,250 during the period from incorporation on February 19, 2018 to May 31, 2018. Although the Company has been successful in the past in rising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future.

On February 23, 2018, the Company entered into the Olivine Option Agreement to acquire a 100% interest in 25 mining claims located in the Similkameen Mining District of British Columbia. To acquire the 100% interest, the Company must make cash payments of \$105,000, issue 200,000 of the Company's Common Shares and spend aggregate of \$300,000 minimum exploration expenditures. See "Olivine Mountain Property".

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Management Discussion and Analysis

For the period from Incorporation on February 19, 2018 to May 31, 2018

1.7 – Capital Resources

The capital resources of the Company as at May 31, 2018 are primarily its cash of \$244,452. The Company will require additional financing to fund any anticipated operating expenses, to conduct exploration programs or for future acquisitions. The Company anticipates funding future expenditures through the Offering and additional equity subscriptions, such as private placements or through the exercise of warrants and options. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions will be possible at the times required or for the amounts desired or that it can be obtained on terms acceptable to the Company and its shareholders.

If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced, and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's Common Shares.

1.8 – Off Balance Sheet Arrangements

As at May 31, 2018, there were no off-balance sheet arrangements to which the Company was committed.

1.9 – Transactions with Related Parties

During the period from incorporation on February 19, 2018 to May 31, 2018, the Company has the following related party transactions:

- (a) Included in exploration and evaluation assets is \$14,532 paid to a company controlled by a Director of the Company for project management services and \$1,250 for fieldwork and traveling costs paid by the company to the Director. Included in accounts payable at May 31, 2018, the Company had \$12,441 due to this company controlled by the Director.
- (b) Included in accounts payable at May 31, 2018, the Company had \$383 due to its Chief Executive Officer for expenditures incurred on behalf of the Company.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

1.10 – Fiscal Quarter ended May 31, 2018

During the three months ended May 31, 2018, the Company incurred operating expenses of \$2,330 including office and miscellaneous expense for bank fees of \$38 and legal services in the amount of \$2,292.

During the fiscal quarter ended May 31, 2018 a provision for deferred tax in the amount of \$25,377 reflects the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values.

1.11 – Proposed Transactions

With the exception of the property option agreement for the Olivine Property and the Offering described above, the Company has no pending or proposed transactions at May 31, 2018.

1.12 – Critical Accounting Estimates

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For the period from Incorporation on February 19, 2018 to May 31, 2018

The Company has outlined the basis of its critical accounting estimates in Note 3 of the May 31, 2018 Financial Statements.

1.13 – Changes in Accounting Policies – International Financial Reporting Standards (“IFRS”)

The Company has not yet applied the following new standards, interpretations or amendments to standards that have been issued as at May 31, 2018 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations and intends to adopt those standards when they become effective. The Company does not expect the impact of such changes on the financial statements to be material, unless otherwise stated.

Future Changes in Accounting Policies

New accounting standards effective for annual periods on or after January 1, 2018:

IFRS 9 Financial instruments (“IFRS 9”)

IFRS 9, issued on July 24, 2014, is the IASB's replacement of IAS 39, Financial Instruments: Recognition and Measurement (IAS 39”). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new “expected credit loss” model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted. The restatement of prior periods is not required and is only permitted if information is available without the use of hindsight. The Company currently does not practice hedge accounting but will continue to evaluate the impact of the change to the consolidated financial statements based on the characteristics of financial instruments outstanding at the time of adoption of IFRS 9.

IFRS 16, Leases (“IFRS16”)

IFRS 16 was issued on January 13, 2016 and replaces the current guidance in IAS 17, Leases (“IAS17”). IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS16's approach to lessor accounting substantially unchanged from IAS17. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

1.14 – Financial Instruments and Other Instruments

The Company's financial instruments are exposed to certain financial risks, including liquidity risk, credit risk and interest rate risk.

Liquidity risk

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For the period from Incorporation on February 19, 2018 to May 31, 2018

Liquidity risk is the risk that the Company will not meet its financial obligations as they become due. Refer to note 1 for further details related to the ability of the Company to continue as a going concern. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2018, the Company had a cash balance of \$244,452 to settle accounts payable and accrued liabilities of \$18,749. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The carrying amounts of financial assets best represent the maximum credit risk exposure at the reporting date. Cash is held with reputable banks in Canada. The long-term credit rating of these banks, as determined by Standard and Poor's, was A+.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. An immaterial amount of interest rate exposure exists in respect of cash balances on the statement of financial position. As a result, the Company is not exposed to material cash flow interest rate risk on its cash balances.

Fair value hierarchy

The Company applied the following fair value hierarchy which prioritizes the inputs used in the valuation methodologies in measuring fair value into three levels:

The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's financial instruments are cash and accounts payable and accrued liabilities. Cash is measured at fair value and is considered to be Level 1 instruments.

Financial instruments that are not measured at fair value are represented by other receivable and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying value due to their short-term nature.

1.15 – Other MD&A Requirements

Share Capital

Disclosure of Outstanding Share Data

- i) Authorized: Unlimited common shares without par value

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For the period from Incorporation on February 19, 2018 to May 31, 2018

ii) Issued and outstanding:

	Issue Price	Number of Shares	Proceeds
Incorporation	\$ -	-	\$ -
Private placement	\$0.005	1,850,000	\$ 9,250
Private Placement – flow through	\$ 0.05	2,300,000	\$ 115,000
Private Placement	\$ 0.10	2,400,000	\$ 240,000
Total as at May 31, 2018		6,550,000	\$ 364,250

As at May 31, 2018, 6,550,000 common shares with no par value were issued and outstanding.

During the period from incorporation on February 19, 2018 to May 31, 2018 the Company issued Common Shares of the Company as follow:

- 1,850,000 Common Shares at a price of \$0.005 per Common Share for gross proceeds of \$9,250.
- 2,300,000 flow-through Common Shares of the Company at a price of \$0.05 per flow-through Common Share for gross proceeds of \$115,000. Each flow-through Common Share is a Common Share of the Company that qualifies as a “flow-through share” within the meaning of the Tax Act.
- 2,400,000 Common Shares at \$0.10 per Common Share for gross proceeds of \$240,000.

As at the date of this MD&A there were no stock options or warrants outstanding.

iii) Flow-through shares

The Company issued 2,300,000 common shares on a flow-through basis at a price of \$0.05 per share for gross proceeds of \$115,000 (see above).

The Company intends to renounce the total proceeds of \$115,000 as of December 31, 2018. As at May 31, 2018, the Company has incurred approximately \$96,884 of qualified expenditures. The Company has \$18,116 unspent flow-through proceeds.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS OR IPO VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE AND JUNIOR ISSUERS

See “1.2 – Overall Performance – Olivine Mountain Property” for a breakdown of the material components of exploration and evaluation assets expenditures.

See “1.4 – Results of Operations” for a breakdown of the material components of general and administrative expenditures.

RISK FACTORS AND UNCERTAINTIES

See “RISK FACTORS” in the Prospectus.

CERTIFICATE OF COMPANY

Dated: August 13, 2018

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.

"Simon Dyakowski"

Simon Dyakowski
Chief Executive Officer and
President

"Kenneth C. Phillippe"

Kenneth C. Phillippe
Chief Financial Officer

On behalf of the Board of Directors

"Christopher I. Dyakowski"

Christopher I. Dyakowski
Director, Chairman

"Jordan Trimble"

Jordan Trimble
Director

CERTIFICATE OF PROMOTER

DATED: August 13, 2018

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.

"Simon Dyakowski"

Simon Dyakowski
Promoter

CERTIFICATE OF AGENT

Dated: August 13, 2018

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.

CANACCORD GENUITY CORP.

“Frank G. Sullivan”

Frank G. Sullivan, Vice President,
Investment Banking