

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form 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. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state of the United States. Accordingly, these securities may not be offered or sold within the United States or to, or for the account or benefit of any, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act), except pursuant to transactions exempt from registration under the U.S. Securities Act and applicable state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of Val-d'Or Mining Corporation, at 2864 chemin Sullivan, Val-d'Or, Québec J9P 0B9; telephone (819) 824-2808; and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

New Issue

October 3, 2017



VAL-D'OR MINING CORPORATION

C\$1,200,000
12,000,000 Units

Price: C\$0.10 per Unit

This short form prospectus qualifies the distribution (the "Offering") of a minimum of 12,000,000 units (the "Units" and individually each a "Unit") in the capital of Val-d'Or Mining Corporation (the "Company") at a price of \$0.10 per Unit (the "Offering Price") for aggregate minimum gross proceeds of \$1,200,000, assuming no exercise of the Over-Allotment Option (as hereinafter defined). Each Unit consists of one common share in the capital of the Company (a "Common Share") and one-half of one non-transferable Common Share purchase warrant, each whole warrant (a "Warrant") entitling the holder thereof to purchase one Common Share (a "Warrant Share") at a price per Warrant Share of \$0.15 at any time before 5:00 p.m. (Eastern) on the date that is 36 months from the date of issuance of the Warrant.

The Units offered hereunder (each an "Offered Unit" and collectively, the "Offered Units") are offered on a commercially reasonable efforts basis pursuant to an agency agreement (the "Agency Agreement") dated as of October 3, 2017, between the Company and Canaccord Genuity Corp. (the "Agent") as the sole lead manager and sole bookrunner in respect of the Offering. Proceeds received by the Company from the Offering will be made available to the Company for the purposes set out under the heading "Use of Proceeds".

The Common Shares are listed for trading on the TSX Venture Exchange (the "TSXV") under the symbol "MZZ". **Investing in the Offered Units is subject to certain risks. See "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors".** On October 2, 2017, the last day the stock traded prior to the date of this prospectus, the closing price of the Common Shares on the TSXV was \$0.10 per Common Share.

	Price to Public ⁽¹⁾	Agent Commission ⁽²⁾	Net Proceeds to the Company ⁽³⁾
Per Unit	\$0.10	\$0.01	\$0.09
Total ⁽⁴⁾	\$1,200,000	\$120,000	\$1,080,000

⁽¹⁾ The Offering Price has been determined by arm's length negotiation between the Company and the Agent.

⁽²⁾ The Company has agreed to pay to the Agent a commission (the "Agent Commission") equal to 10% of the gross proceeds realized from the Offering, including Additional Units issued upon exercise of the Over-Allotment Option (as both such terms are hereinafter defined), payable in cash or Offered Units, or any combination of cash and Offered Units (the "Agent Commission Units") at the option of the Agent. The Over-Allotment Option is exercisable, at the sole discretion of the Agent, in whole or in part, within 60 days of the closing of the Offering. The

Company will also pay the Agent a corporate finance fee (the “**Corporate Finance Fee**”) of \$20,000, \$10,000 of which has been paid by the Company to the Agent and the \$10,000 balance of which is payable on closing of the Offering. The Company has also agreed to issue to the Agent non-transferable share purchase warrants (the “**Agent Warrants**”) entitling the Agent to subscribe for that number of Units (the “**Agent Warrant Units**”) as is equal to 10% of the number of Offered Units issued under the Offering (including the Additional Units issued on exercise of the Over-Allotment Option), subject to adjustment in certain circumstances. Each Agent Warrant is exercisable for one Agent Warrant Unit at the Offering Price for a period of 36 months following the closing of the Offering, each Agent Warrant Unit comprised of one Common Share and one-half of one Warrant, each whole Warrant (an “**Agent Unit Warrant**”) having the same attributes as the Warrants issued under the Offering. This prospectus qualifies the distribution of the Agent Commission Units (if any) and the Agent Warrants, subject to the maximum number of securities issued to the Agent that may be qualified under this prospectus being limited to 10% of the total number of the securities distributed under the prospectus. See “*Plan of Distribution*”.

- (3) After deducting the Agent Commission, assuming the Agent Commission is paid in cash, but before deducting the balance of expenses of the Offering, estimated to be approximately \$132,000 (which includes the balance of the Corporate Finance Fee), both the Agent Commission and balance of expenses to be paid out of the proceeds of the Offering. See “*Plan of Distribution*”.
- (4) If the Over-Allotment Option (as defined and described below) is exercised in full, the total price to the public will be \$1,380,000, the total Agent Commission will be \$138,000 and the total net proceeds to the Company, before deducting the balance of expenses of the Offering and the balance of the Corporate Finance Fee, will be \$1,242,000.

The Company has also granted to the Agent an option (the “**Over-Allotment Option**”) exercisable within 60 days of closing of the Offering, in whole or in part at the sole discretion of the Agent, to purchase up to an additional 1,800,000 Units (the “**Additional Units**”) at the Offering Price to cover over-allotments, if any. This short form prospectus qualifies the grant of the Over-Allotment Option and the issuance of the Additional Units.

The following table sets forth the number of securities that may be issued by the Company to the Agent pursuant to the Over-Allotment Option, the Agent Commission Units (if any), the Agent Warrants and the Agent Warrant Units.

Agent Position	Maximum size or number of securities available	Exercise period or acquisition date	Exercise price or average acquisition price
Over-Allotment Option	Option to sell up to 1,800,000 Additional Units	Within 60 days of closing of the Offering	\$0.10 per Additional Unit
Agent Commission Units ⁽¹⁾	Option to receive up to 1,200,000 ⁽²⁾ Agent Commission Units assuming the Over-Allotment Option is not exercised	Common Shares underlying the Agent Commission Units are issuable on closing of the Offering	Deemed acquisition price of \$0.10 per Agent Commission Unit (the Offering Price)
	Option to receive up to 1,380,000 ⁽²⁾ Agent Commission Units assuming the Over-Allotment Option is exercised in full	Warrants underlying the Agent Commission Units are exercisable for 36 months from the closing of the Offering	Warrants underlying the Agent Commission Units exercisable at a price of \$0.15 per Warrant Share
Agent Warrants ⁽¹⁾	Warrants to subscribe for 1,200,000 Agent Units assuming the Over-Allotment Option is not exercised	Agent Warrants are exercisable for 36 months from closing of the Offering	Offering Price
	Warrants to subscribe for 1,380,000 Agent Units assuming the Over-Allotment Option is exercised in full	Warrants underlying the Agent Warrant Units are exercisable for 36 months from the closing of the Offering	

⁽¹⁾ Securities legislation restricts the maximum number of securities issued to the Agent that may be qualified under this prospectus to 10% of the total number of the securities distributed under the prospectus. See “*Plan of Distribution*”.

⁽²⁾ Assumes the total Agent Commission is satisfied by the issuance of Offered Units at a deemed price per Offered Unit equal to the Offering Price. See “*Plan of Distribution*”.

Unless otherwise indicated, all information in this short form prospectus assumes no exercise of the Over-Allotment Option.

This Offering is not underwritten or guaranteed by any person. The Agent conditionally offers the Offered Units, subject to prior sale, if, as and when issued by the Company, on a commercially reasonable efforts basis in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*”, and subject to approval of certain legal matters by Getz Prince Wells LLP, counsel for the Company, and by McLeod Law LLP, counsel for the Agent. See “*Plan of Distribution*”.

The Offered Units will be offered in each of Alberta, British Columbia, Ontario and Saskatchewan.

Subscriptions for the Offered Units will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books without notice. It is expected that the closing will take place on or about October 30, 2017, or such other date as may be agreed between the Company and the Agent, but in any event not later than December 29, 2017. See “*Plan of Distribution*”.

All funds received from subscriptions for the Offered Units will be held by the Agent pursuant to the terms of the Agency Agreement. If the entire Offering is not raised within 90 days of the issuance of a receipt for the final short form prospectus, or such other time as may be consented to by persons or companies who subscribed for Offered Units within that period, all subscription funds will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. 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. It is expected that share certificates, in definitive form, evidencing the Common Shares underlying the Offered Units will be available for delivery at the closing of the Offering unless the Agent elects for delivery in electronic book form through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee. If delivered in book entry form, purchasers of Common Shares underlying the Offered Units will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Offered Units were purchased.

An investment in the Offered Units involves a high degree of risk and must be considered highly speculative due to the nature of the Company’s business and the present stage of exploration and development of its mineral property interests. Prospective investors should carefully consider the risk factors described in this short form prospectus under “*Risk Factors*” and in the Company’s Annual Information Form (as defined herein).

Investors should rely only on the information contained in or incorporated by reference in this prospectus. The Company has not authorized anyone to provide investors with different information. 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 the time of any sale of securities offered hereunder. The securities offered hereunder may be sold only in those jurisdictions where offers and sales are permitted. This prospectus is not an offer to sell or a solicitation of any offer to buy securities offered hereunder where it is unlawful.

Information contained in this prospectus should not be construed as legal, tax or financial advice and readers are urged to consult with their own professional advisors in connection therewith.

The Company’s head office is located at, and its principal address is, 2864 chemin Sullivan, Val-d’Or, Québec J9P 0B9; and its registered office is located at Suite 530, 355 Burrard Street, Vancouver, British Columbia V6C 2G8.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This short form prospectus may include or incorporate by reference certain statements that are “forward looking statements”. All statements, other than statements of historical fact, included or incorporated by reference in this short form prospectus that address activities, events or developments that the Company or its management expects or anticipates will or may occur in the future, including such things as future capital expenditures (including the amounts and nature thereof), business strategies and measures to implement strategies, goals, expansion and growth of its business and operations, plans and references to the future success of the Company, and other such matters, are forward-looking statements. These forward-looking statements are based on certain assumptions and analyses made by the Company and its management in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. However, whether actual results and developments will conform to the expectations and predictions of the Company and its management is subject to a number of risks and uncertainties discussed in this short form prospectus and the documents incorporated by reference. Consequently, all of the forward-looking statements made in this short form prospectus and the documents incorporated herein by reference are qualified by these cautionary statements and other cautionary statements or factors contained herein or in documents incorporated by reference herein, and there can be no assurance that the actual results or developments anticipated by the Company and its management will be realized or, even if substantially realized, that they will have the expected consequences for, or effects on, the Company.

This prospectus may include or incorporate by reference certain statements or disclosures that constitute “forward-looking information” under applicable securities laws. All information, other than statements of historical fact, included or incorporated by reference in this prospectus that address activities, events or developments that the Company or its management expects or anticipates will or may occur in the future, including such things as future capital expenditures (including the amounts and nature thereof), business strategies and measures to implement strategies, goals, expansion and growth of its business and operations, plans and references to the future success of the Company, and other such matters, constitute forward-looking information. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur or continue. These forward-looking statements are based on certain assumptions and analyses made by the Company and its management in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

In particular, information regarding the Company’s future operating results and economic performance, the expected use of proceeds from the Offering, the anticipated completion of the Offering, the possibility of market price volatility and potential future dilution to shareholders, is forward-looking information. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information.

Further, but not limited to, this prospectus or disclosure incorporated by reference contains forward-looking statements pertaining to the following:

- exploration plans and anticipated results therefrom;
- expectations regarding expenses in future periods, including expenditures toward capital items, general and administrative expenses, and exploration costs;
- the continued listing of the Company’s Common Shares for trading on the TSXV;
- expectations regarding the amount and adequacy of cash reserves in future periods; and
- expectations regarding the ability to raise capital.

Although the Company believes the expectations expressed in such forward-looking information are based on reasonable assumptions, such statements are not guarantees of future realities and actual realities may differ materially from those in forward-looking information. Investors are cautioned that any such statements are not

guarantees of future realities and actual realities or developments may differ materially from those projected in the forward-looking statements. Whether actual results and developments will conform to the expectations and predictions of the Company and its management is subject to a number of risks and uncertainties, including those risk factors discussed under “*Risk Factors*” and elsewhere in this prospectus and the documents incorporated by reference. In particular, if any of the risk factors outlined herein or incorporated by reference materialize, the expectations and predictions of the Company and its management may need to be re-evaluated. Consequently, all of the forward-looking information in this prospectus and the documents incorporated herein by reference is expressly qualified by these cautionary statements and other cautionary statements or factors contained herein or in documents incorporated by reference herein, and there can be no assurance that the actual results or developments anticipated by the Company and its management will be realized or, even if substantially realized, that they will have the expected consequences for, or effects on, the Company. Forward-looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made. Readers are cautioned not to place undue reliance on forward-looking statements. Unless otherwise required by law, the Company expressly disclaims any intention and assumes no obligation to update or revise any forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change, whether as a result of new information, future events or otherwise, and the Company does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws.

See “*Risk Factors*”.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada (collectively, the “Commissions”). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of the Company at 2864 chemin Sullivan, Val-d’Or, Québec J9P 0B9; telephone (819) 824-2808; and are also available electronically at www.sedar.com.

The following documents filed with the Commissions are specifically incorporated by reference into, and form an integral part of, this prospectus:

- (a) the NI 43-101 compliant Technical Report (as defined herein, the “**Baden Report**”) dated September 21, 2017, with respect to the Baden Property comprised of 16 claim units covering 256 hectares located approximately 15 km northwest of Matachewan, Ontario, in the Larder Lake Mining Division;
- (b) the annual information form of the Company dated August 15, 2017 (the “**Annual Information Form**”);
- (c) the audited financial statements of the Company for its fiscal year ended December 31, 2016, together with the notes thereto and the auditor’s report thereon dated April 11, 2017;
- (d) Management’s Discussion & Analysis for the year ended December 31, 2016, dated April 11, 2017;
- (e) the audited financial statements of the Company for its fiscal year ended December 31, 2015, together with the notes thereto and the auditor’s report thereon dated April 27, 2016;
- (f) Management’s Discussion & Analysis for the year ended December 31, 2015, dated April 27, 2016;
- (g) the unaudited interim condensed financial statements of the Company for its six month interim period ended June 30, 2017, as refiled by the Company following auditor review;
- (h) Management’s Discussion & Analysis for the unaudited six month interim period ended June 30, 2017, dated July 28, 2017, as refiled by the Company;
- (i) Management Information Circular dated May 1, 2017, in connection with the annual general and special meeting of the Company’s shareholders held on June 12, 2017;

- (j) Material Change Report dated March 30, 2017, regarding completion of the Company's previously announced non-brokered private placement financing for gross proceeds of \$282,975 from the sale of 4,353,461 units at a per unit price of \$0.065, each unit consisting of one Common Share and one non-transferable Common Share purchase warrant, each warrant entitling the holder to purchase one Common Share at a per share price of \$0.085 until March 30, 2019.

Any document of the type referred to above (excluding confidential material change reports) filed by the Company with the Commissions or similar authorities in Canada after the date of this short form prospectus and prior to the completion or termination of the Offering, shall be deemed to be incorporated by reference into and form an integral part of this short form prospectus. The documents incorporated or deemed incorporated by reference herein contain meaningful and material information relating to the Company, and prospective investors in the Offered Units should review all information contained in this short form prospectus and the documents incorporated by reference before making an investment decision.

Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference herein or in any subsequently filed document, which also is or is deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed in its unmodified or superseded form to constitute a part of this short form prospectus.

The statements contained in this short form prospectus are not necessarily complete and reference is made to the documents incorporated by reference herein.

ELIGIBILITY FOR INVESTMENT

In the opinion of Thorsteinssons LLP, tax counsel to the Company, based on the provisions of the *Income Tax Act* (Canada), as of the date hereof, the Units will be "qualified investments" under the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") as of the date hereof for trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), deferred profit sharing plan, registered disability savings plan ("**RDSP**"), registered education savings plan ("**RESP**") or tax-free savings account ("**TFSA**"), all as defined in the Tax Act (collectively "**Exempt Plan**"), provided that:

- (a) in the case of the Common Shares and Warrant Shares, either
 - (i) the Common Shares and Warrant Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV), or
 - (ii) the Company is a "public corporation" as defined in the Tax Act; and
- (b) in the case of the Warrants, either
 - (i) the Warrants are listed on a "designated stock exchange" as defined in the Tax Act, or
 - (ii) either the Warrant Shares are listed on a "designated stock exchange" as defined in the Tax Act, or the Company is a "public corporation" as defined in the Tax Act, and neither the Company nor any person with whom the Company does not deal at arm's length is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the Exempt Plan.

Notwithstanding that the Common Shares, Warrants and Warrant Shares may be “qualified investments” for a trust governed by a TFSA, RRSP or RRIF, in certain circumstances, the Common Shares, Warrants and Warrant Shares may be a “prohibited investment” for a trust governed by a TFSA, RRSP or RRIF. The Common Shares, Warrants and Warrant Shares will be a prohibited investment where the holder of a TFSA or the annuitant of a RRSP or RRIF does not deal at arm’s length with the Company for purposes of the Tax Act or has a “significant interest” (within the meaning of paragraph 207.01(4) of the Tax Act) in the Company, unless the Common Shares, Warrants and Warrant Shares are “excluded property” (within the meaning of paragraph 207.01(1) of the Tax Act) for the particular RRSP, RRIF or TFSA. If the Common Shares, Warrants and Warrant Shares are a “prohibited investment”, the holder of such TFSA or the annuitant of a RRSP or RRIF may be subject to a penalty tax under the Tax Act. On March 22, 2017, the Minister of Finance (Canada) announced Proposed Amendments to amend the Tax Act to extend the “prohibited investment” rules and corresponding provisions, which are currently applicable to RRSPs, RRIFs and TFSAs and the annuitants or holders thereof, as the case may be, to RESPs and RDSPs and the subscribers or holders thereof, as the case may be. The Proposed Amendments are intended to apply to transactions occurring and investments acquired after March 22, 2017, subject to certain transitional rules.

Prospective holders who intend to hold Common Shares, Warrants, and Warrant Shares in a TFSA, RRSP, RRIF, RDSP or RESP should consult their own tax advisors with respect to whether the Common Shares, Warrants and Warrant Shares would be a prohibited investment or excluded property in their particular circumstances.

CURRENCY & FINANCIAL INFORMATION PRESENTATION

In this short form prospectus, unless otherwise specified, all references to “\$” or “dollars” are to Canadian dollars.

The financial statements of the Company incorporated by reference in this prospectus are reported in Canadian dollars. Unless otherwise indicated, all financial information included and incorporated by reference in this prospectus has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”), as issued by the International Accounting Standards Board.

TECHNICAL INFORMATION

The disclosure contained or incorporated by reference in this short form prospectus of a scientific or technical nature is based on the technical report titled “NI 43-101 TECHNICAL REPORT OF BADEN PROPERTY” and dated September 21, 2017 (the “**Technical Report**” or the “**Baden Report**”), prepared by Alain-Jean Beaugard, P.Geo., OGQ (#227), FGAC, and Daniel Gaudreault, P.Eng., OIQ (#39834), of Géologica Groupe-Conseil Inc. of Val-d’Or, Québec, who was retained by the Company to prepare a technical report compliant with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”). Both Messrs. Beaugard and Gaudreault are a “Qualified Person” and considered “independent” of the Company as both those terms are defined in NI 43-101. The Technical Report has been filed on SEDAR and may be accessed electronically at www.sedar.com.

SUMMARY DESCRIPTION OF THE BUSINESS

The Company is a junior natural resource issuer involved in the process of exploring, evaluating and promoting its mineral property assets. As of September 28, 2017, the Company holds:

- an option to acquire a 100% interest in 61 grassroots properties located in Ontario and Québec, which option includes the “**Baden Property**” comprised of 16 claim units covering 256 hectares located approximately 15 km northwest of Matachewan, Ontario, in the Larder Lake Mining Division;
- a 100% interest in the Marymac Prospect consisting of 32 claims located in the Labrador Trough of Québec, subject to a 2% net smelter returns royalty (an “**NSR**”);
- a 100% interest in the Shoot-Out Prospect, which is the combination of two properties, Shoot-Out East and Shoot-Out West, and consists of 62 claims located in the Raglan Belt of northern Québec, subject to a 3% NSR;
- a 100% interest in the Fortin Prospect consisting of five contiguous mining claims located in the central part of Ducros Township, approximately 80 kilometres northeast of the city of Val-d’Or, Québec, subject to a 1.5% NSR; and
- a 100% interest in the Chibougamau-Chapais Prospect, a non-contiguous group of 40 claims, located in the Chibougamau area in central Québec, which were staked by the Company in the second quarter of 2016.

For additional information regarding the Company and its business, please see the sections under the headings “*Development of the Business*” and “*Description of the Business*” in the Annual Information Form.

MATERIAL MINERAL PROPERTY

The Company considers its interest in the Baden Property to be its material property. The Baden Property is without known resources or reserves. The Baden Report recommends that an exploration program be undertaken on the Baden Property with a Phase 2 follow-up program conditional on the success of the first phase. The Company’s primary objective is to carry out the recommended exploration program on the Baden Property. There is no assurance that the Baden Property will prove to be economic, or that the Company’s other properties or property interests will or will not prove to be economic in the future or at any time. See “*Risk Factors*”.

For additional information regarding the Baden Property and the recommended exploration program for the Baden Property, please see the section under the heading “*Item 4 – Material Property – The Baden Property*” in the Annual Information Form.

RISK FACTORS

There are certain risks associated with the Units offered hereby that investors should carefully consider. This is a highly speculative offering. The risks and uncertainties below are not the only risks and uncertainties facing the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations and future prospects of the Company and cause the price of its Common Shares to decline. If any of the following risks actually occur, the business of the Company may be harmed and its financial condition and results of operations may suffer significantly. In that event, the trading price of the Common Shares could decline and purchasers of the Offered Units may lose all or part of their investment. In addition to the risks described elsewhere and the other information contained in this short form prospectus, prospective investors should carefully consider each of, and the cumulative effect of all of, the following risk factors.

Risks Related to the Business

Nature of Mineral Exploration and Mining

There is no known mineral resource on any of the Company’s property interests, including the Baden Property. Development by the Company of its property interests will occur only if satisfactory exploration results are

obtained, and if otherwise warranted. Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is, therefore, no assurance that the Company's mineral exploration and development activities will result in any discoveries of bodies of commercial ore. The long-term profitability of any of the Company's operations will be, in part, directly related to the cost and success of its exploration programs, which may be affected by a number of factors out of the control of the Company.

Substantial expenditures are required to establish reserves through drilling and, if warranted, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations, or at all, or that the funds required for development can be obtained on a timely basis. Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome.

Mineral Deposits and Production Costs; Metal Prices

The economics of developing mineral deposits are affected by many factors including variations in the grade of ore mined, the cost of operations and fluctuations in the sales price of products. The value of the Company's mineral property interests is heavily influenced by metal prices. Metal prices can and do change by substantial amounts over short periods of time and are affected by numerous factors beyond the control of the Company, including changes in the level of supply and demand, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production arising from improved mining and production methods and new discoveries. There can be no assurance that the prices of mineral products will be sufficient to ensure that the Company's properties can be mined profitably. Depending on the price received for minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

The grade of any ore ultimately mined from a mineral deposit may differ from that predicted 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 any gold or other 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.

Exploration and Development Risks

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

Mineral exploration and mining involve considerable financial and technical risk. Substantial expenditures are usually required to establish ore reserves, to evaluate metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to assure that the current exploration programs planned by the Company will result in profitable commercial mining operations, as few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, unstable ground conditions that could result in cave-ins or landslides, floods, power outages or fuel shortages, labour disruptions,

fires, explosions, and the inability to obtain suitable or adequate machinery, equipment or labour are risks associated with the conduct of exploration programs and the operation of mines. The Company has no experience in the development and operation of mines or in the construction of facilities required to bring mines into production. The Company will rely upon consultants for expertise with respect to the construction and operation of a mining facility.

Negative Operating Cash Flow and Additional Financing

The Company had negative operating cash flow for the financial year ended December 31, 2016, and for the six month interim period ended June 30, 2017, and the Company anticipates that negative operating cash flows will continue for the foreseeable future. Accordingly, the Company will require substantial additional capital in order to fund its operations and future exploration and development activities. Other than issuing the Offered Units pursuant to the Offering, the Company does not have any arrangements in place for this funding and there is no assurance that such funding will be achieved when required. Any failure to obtain additional financing or failure to achieve profitability and positive operating cash flows will have a material adverse effect on the Company's financial condition and results of operations.

The Company will require additional financing to complete planned exploration programs and to implement further exploration programs. There can be no assurance that the Company will be able to obtain adequate financing in the future for further exploration and development of its projects, 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 property interests of the Company with the possible dilution or loss of such interests. 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. Any additional equity financing will cause dilution to shareholders and may result in a change of control.

Limited Operating History

The Company has a limited operating history with no history of operating earnings. The ability of the Company to raise capital, satisfy its obligations and provide a return to its shareholders will be dependent upon its future performance. 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. The Company has limited financial resources and there is no assurance that additional funding will be available to the Company for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its business plans.

Stress in the Global Economy

Reduction in credit, combined with reduced economic activity and the fluctuations in the United States dollar may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. Adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's businesses, operating results and financial condition.

Global Financial Condition

Global financial conditions have been subject to increased volatility. Access to financing has been negatively impacted by sub-prime mortgages in the United States and elsewhere and the liquidity crisis affecting the asset-backed commercial paper market, among other events. As such, the Company is subject to counterparty risk and liquidity risk. The Company is exposed to various counterparty risks including, but not limited to: (i) through financial institutions that hold the Company's cash; (ii) through companies that have payables to the Company; and

(iii) through the Company's insurance providers. The Company is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Company's Common Shares could be adversely affected.

Permits, Licenses and Claim Renewal

The operations of the Company require licenses and permits from various governmental and non-governmental authorities. As of the date of this prospectus, the Company has not obtained the necessary exploration and drilling permits with respect to implementing the recommended work program on the Baden Property, nor may it be able to obtain, at the appropriate time, all necessary licenses and permits required under applicable laws and regulations to carry on with activities which it proposes to conduct. Such licenses and permits are subject to change in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations at its proposed projects.

The claims comprising the Baden Property have expiry dates of May 24, 2018 and September 12, 2018, which the Company plans to renew in the normal course. In keeping with prior practice and experience, the Company has no reason to believe that renewal of the claims is unlikely.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals in the search for and the acquisition of attractive mineral properties, including competitors with greater financial, technical and other resources than the Company. 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 the competition in acquiring such properties or prospects.

No Assurance of Title to Property

To the best of the Company's knowledge, the Baden Property claims are in good standing. However, this should not be construed as a guarantee of title. Mineral claims may be subject to prior unregistered agreements or transfers or third party and native land claims and title may be affected by undetected defects. If any such title issues arise and are unresolved, any mineral prospect or mineral deposit defined or delineated on any of the Company's property interests may fail to meet the definition of a "mineral reserve" pursuant to applicable legislation. Furthermore, there is no assurance that the interests of the Company in the Baden Property, or any of its property interests, may not be challenged or impugned.

Dependence on Key Individuals

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company. The Company does not maintain key-person insurance on the lives of any of its key personnel. In addition, while certain of the Company's officers and directors have experience in the exploration of mineral producing properties, the Company will remain highly dependent upon contractors and third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

Environmental and other Regulatory Requirements

The operations of the Company require permits from various levels of government. Such operations are subject to 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 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.

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.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. The Company may be liable for environmental contamination and natural resource damages relating to properties that it currently owns, operates or has an interest in, or at which environmental contamination occurred while or before it owned, operated or acquired an interest in the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations, repatriation of income and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which they have an interest or in respect of which they have obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Currency Risk

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 U.S. dollars. The Company's costs are incurred primarily in Canadian dollars.

Conflicts of Interest

The directors and officers of the Company, including the Company's Chief Executive Officer and Chief Financial Officer, will not be devoting all of their time to the affairs of the Company. All or some of 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.

Insurance

The Company does not have insurance to adequately protect itself against certain risks associated with mineral exploration. Even if it were to obtain insurance, the Company will remain at risk and will be potentially subject to liability for hazards which it cannot insure against or which it may elect not to insure against because of premium costs or other reasons.

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

Influence of Third Party Stakeholders

The lands in which the Company hold interests, or the exploration equipment and road or other means of access which the Company intends to utilize in carrying out work programs or general exploration mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the work programs of the Company may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for the Company.

Fluctuation in Market Value of Shares

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

Substantial Number of Authorized but Unissued Shares - Dilution

The Company has an unlimited number of Common Shares that may be issued by the Board of Directors without further action by or approval of shareholders. Further, the Company has an authorized class of Preferred shares issuable in series, each series of which the Board of Directors may create and issue with such rights and restrictions as the Board may approve, without further action by or approval of shareholders. While the Board of Directors of the Company is required to fulfil its fiduciary obligations in connection with the issuance of shares and other securities, securities may be issued in transactions with which not all shareholders agree, or securities, including shares, may be issued in connection with equity financings, and the issuance of such shares and other securities will cause dilution to the ownership interests of shareholders.

Control by Significant Shareholder

As of the date of this prospectus, Golden Valley Mines Ltd. ("**Golden Valley**") owns approximately 44.5% of the Company's issued Common Shares. As such, Golden Valley exercises effective control over the affairs of the Company and practically has the ability to determine the outcome of matters submitted to shareholders for approval,

including the election and removal of directors, amendments to the Company's corporate governing documents and potential business combinations. Furthermore, Golden Valley may be able to effectively cause or prevent a change in control of the Company. The Company's interests and those of Golden Valley may at times conflict and such a conflict might be resolved against the interests of the Company or its other shareholders. Further, securities legislation provides for restrictions to resale of shares owned or controlled or directed by control persons, which restrictions may apply to Golden Valley. The concentration of control in the hands of a significant shareholder may practically preclude an unsolicited bid for the Company's shares, may adversely impact the size of the Company's public float, the value and trading price of the Company's shares and limit liquidity for other shareholders.

Risks Related to the Offering

Risk of Investment

An investment in the Offered Units, as well as the Company's prospects, are speculative due to the risky nature of the Company's business and the present stage of its development. Investors may lose their entire investment. Investors should carefully consider the risk factors described in this prospectus. The risks described in this prospectus are not the only ones facing the Company. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described herein or other unforeseen risks. If any of the risks described in this prospectus materialize, the Company's business, financial condition and operating results could be adversely affected. Investors should carefully consider the risks in this prospectus and the other information elsewhere in this prospectus and consult with their professional advisors to assess any investment in the Company.

No Guarantee of a Positive Return in an Investment

There is no guarantee that an investment in the Offered Units will earn any positive return in the short term or in the long term. An investment in the Offered Units involves a high degree of risk and should be undertaken only by investors 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 Offered Units is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment.

Use of Proceeds

The Company currently intends to allocate the net proceeds received from the Offering as described under "Use of Proceeds" in this prospectus. However, management will have discretion in the actual application of the net proceeds and may elect to allocate proceeds differently from that described in "Use of Proceeds" if it is believed it would be in the best interests of the Company to do so as circumstances change. The failure by management to apply these funds effectively could have a material adverse effect on the business of the Company and, consequently, could adversely affect the price of the Common Shares on the open market.

Price Volatility

Securities markets have a high level of price and volume volatility and the market price 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. Factors unrelated to the financial performance or prospects of the Company include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. There can be no assurance that continued fluctuations in mineral and energy prices will not occur. As a result of any of these factors, the market price of the securities of the Company at any given point in time may not accurately reflect the long term value of the Company.

Dilution

Additional financing needed to continue funding the Company's operations and exploration and development of its property interests will, in all likelihood, require the issuance of additional securities of the Company. The issuance

of additional Common Shares and the exercise of securities convertible into Common Shares will result in dilution of the equity interests of any persons who are or may become holders of Common Shares.

USE OF PROCEEDS

The minimum gross proceeds to be received from the sale of the Offered Units will be \$1,200,000 (\$1,380,000 assuming full exercise of the Over-Allotment Option). The net proceeds to be received after payment of the Agent Commission of \$120,000 (\$138,000 assuming full exercise of the Over-Allotment Option), assuming cash payment of the Agent Commission, and after deducting the balance of estimated expenses related to the Offering estimated to be approximately \$132,000, which includes the balance of the Agent's Corporate Finance Fee, will be \$948,000 (\$1,110,000 assuming full exercise of the Over-Allotment Option).

The Company proposes to use such net proceeds for the purposes listed below:

Purpose	Minimum Amount assuming no exercise of Over- Allotment Option	Maximum Amount assuming full exercise of Over- Allotment Option
Recommended Phase 1 exploration program on the Baden Property ⁽¹⁾	\$219,120	\$219,120
If warranted, based on results from the Phase 1 exploration program, recommended Phase 2 exploration program on the Baden Property ⁽¹⁾	198,000	198,000
Exploration on other grass roots properties under option from Golden Valley ⁽²⁾ ...	82,880	82,880
Estimated claim maintenance and renewal expenses to maintain the grass roots properties under option from Golden Valley in good standing	193,800	193,800
Estimated general and administrative expenses for 18 months following closing of the Offering ⁽³⁾	150,000	150,000
Unallocated working capital	104,200	266,200
Total Net Funds Available	\$948,000	\$1,110,000

⁽¹⁾ See "Item 4 – Material Property – The Baden Property" in the Company's Annual Information Form.

⁽²⁾ As of the date of this prospectus, Golden Valley Mines Ltd. owns 8,163,634 Common Shares in the capital of the Company representing approximately 44.5% of the Company's issued and outstanding shares and is, thus, a "control person" of the Company under applicable securities legislation. See "Item 2.2 – History" in the Company's Annual Information Form and "Risk Factors".

⁽³⁾ As of the date of this prospectus the Company has negative operating cash flow. See discussion below and see also "Risk Factors".

As an exploration company, the Company has no source of operating cash flow and its operations to date have been funded primarily from equity financings. Accordingly, the Company had a negative operating cash flow for the year ended December 31, 2016, and for the six month interim period ended June 30, 2017, had an operating loss of \$70,773. The Company anticipates that negative operating cash flows will continue for the foreseeable future. See "Risk Factors".

Although the Company intends to expend the proceeds from the Offering as set out in the table above, the actual allocation of the net proceeds may vary from that set out above, at the discretion of management of the Company, depending on future developments related to the Company's mineral property interests or unforeseen events.

Until required for the Company's purposes, the net proceeds from the Offering will be added to the Company's working capital. Management of the Company will be responsible for the supervision of, and the investment policy with respect to, any unallocated funds.

BUSINESS OBJECTIVES AND MILESTONES

The present principal business objectives of the Company are focused on exploration of the Baden Property.

Barring any unforeseen complications encountered during the permit application and Aboriginal consultation processes, which are currently underway, or during conduct of the recommended exploration program, and assuming the Phase 2 exploration program is warranted based on results from the Phase 1 exploration program, the Company anticipates completing the recommended Phase 1 and Phase 2 exploration programs on the Baden Property by the end of December 2018.

The Company will rely on third party consultants to perform exploration work on the Baden Property and identifying and hiring third party consultants on terms satisfactory to the Company is required prior to commencing exploration of the Baden Property.

All necessary licenses and permits required under applicable laws and regulations to implement the work program recommended by the Baden Report must be obtained by the Company. In keeping with prior practice and experience, the Company has no reason to believe that any required permits will be unreasonably withheld from the Company. Further, the claims comprising the Baden Property have expiry dates of May 24, 2018 and September 12, 2018, which the Company plans to renew in the normal course. In keeping with prior practice and experience, the Company has no reason to believe that renewal of the claims is unlikely. See “*Risk Factors*”.

The exploration and development of the Company’s properties, including continuing exploration and development projects, and the growth of the Company, will require substantial additional financing. The Company has limited financial resources and has no source of operating income. Failure to obtain sufficient financing could result in a delay or indefinite postponement of exploration, development or production on any or all of the Company’s property interests or even a loss of a property interest. An important source of funds available to the Company is through the sale of additional equity securities. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. Failure to raise capital when needed would have a material adverse effect on the Company’s business, financial condition, results of operations and ability to grow. See “*Risk Factors*”.

As of June 30, 2017, the Company had cash on hand of approximately \$329,741 to finance its operations and working capital of approximately \$264,827. The Company estimates the proceeds from the Offering and its current working capital will be sufficient to cover the Company’s operations expenses for 18 to 24 months.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value. As at June 30, 2017, and as of the date of this prospectus, 18,350,655 Common Shares were issued and outstanding. The Common Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to the Company’s Common Shares, all of which rank equally as to all benefits which might accrue to the holders of the Common Shares. All holders of Common Shares are entitled to receive a notice of any general meeting to be convened by Company. At any general meeting, subject to the restrictions on joint registered owners of Common Shares, every shareholder has one vote for each Common Share of which he or she is the registered owner. Voting rights may be exercised in person or by proxy. The holders of the Company’s Common Shares are entitled to share pro rata in any: (i) dividends if, as and when declared by the directors, and (ii) such assets of the Company as are distributable to shareholders upon liquidation of the Company.

The Warrants underlying the Offered Units and the Agent Commission Units (if any) and the Agent Warrant Units, each of which will be governed by a Warrant Certificate, will entitle the holder thereof to purchase one Common Share (as previously defined, a “**Warrant Share**”) at a price per Warrant Share of \$0.15 at any time before 5:00 p.m. (Eastern) on the date that is 36 months from the date of issuance of the Warrant.

Follows is a summary of the terms and conditions of the Warrants as governed by Warrant Certificates. This summary should be read in conjunction with the full text of the Warrant Certificate, the form of which has been filed with regulators and may be accessed electronically at www.sedar.com.

- Should the Company at any time subdivide its outstanding Common Shares into a greater number of shares, the Warrant exercise price shall be proportionately reduced and the number of subdivided Warrant Shares entitled to be purchased proportionately increased, and conversely, in case the outstanding Common Shares of the Company shall be consolidated into a smaller number of shares, the Warrant exercise price shall be proportionately increased and the number of consolidated Warrant Shares entitled to be purchased hereunder shall be proportionately decreased.
- Should any capital reorganization or reclassification of the capital stock of the Company be effected, then, in lieu of the Warrant Shares immediately theretofore purchasable and receivable upon the exercise of a Warrant, the holder will have the right (and as a condition of such reorganization or reclassification adequate provision shall be made whereby the holder hereof shall have the right) to purchase and receive in lieu of Warrant Shares such shares of stock, or other securities, or other property (including cash) as such holder would have received had such holder exercised a Warrant and thereby have become entitled to receive Warrant Shares immediately prior to the record date for such reorganization or reclassification.
- In the event the Company:
 - pays any dividend payable in stock upon its Common Shares or makes any distribution to the holders of its Common Shares;
 - offers for subscription pro rata to the holders of its Common Shares any additional shares of stock of any class or other rights;
 - is party to a merger, amalgamation or arrangement with, or sale of all or substantially all of its assets to, another corporation; or
 - shall voluntary or involuntary dissolve, liquidate or wind-up;

the Company shall give to the holders of Warrants at least twenty days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such dividend, distribution or subscription rights, or for determining rights to vote with respect to such merger, amalgamation, arrangement, sale, dissolution, liquidation or winding-up and, in the case of any such merger, amalgamation, arrangement, sale, dissolution, liquidation or winding-up, at least twenty days' prior written notice of the date when the same shall take place.

- The Company shall not effect any merger, amalgamation or arrangement unless prior to or simultaneously with the consummation thereof the successor corporation (if other than the Company) resulting from such merger, amalgamation or arrangement assumes by written instrument executed and mailed or delivered to the holders of Warrants the obligation to deliver to such holder such shares of stock or securities or other property (including cash) as such holder may be entitled to purchase in the circumstance.

PRIOR SALES

During the 12 months preceding the date of this prospectus, the Company issued the following Common Shares and securities convertible or exchangeable for Common Shares.

<u>Date</u>	<u>Type of security</u>	<u>Number of securities</u>	<u>Price per security</u>	<u>Type of transaction</u>
February 3, 2017	Common Shares	890,000	\$0.12 per share	Exercise of previously issued share purchase warrants
March 30, 2017	Common Shares	4,353,461	\$0.065 per unit	Private placement of units
March 30, 2017	Share purchase warrants ⁽¹⁾	4,353,461		

<u>Date</u>	<u>Type of security</u>	<u>Number of securities</u>	<u>Price per security</u>	<u>Type of transaction</u>
March 30, 2017	Common Shares	225,200	\$0.065 per share (deemed)	Issued in satisfaction of finder's fees in connection with a private placement
March 30, 2017	Share purchase warrants ⁽¹⁾	225,200	N/A	Issued in satisfaction of finder's fees in connection with a private placement

⁽¹⁾ Each share purchase warrant entitles the purchase of one Common Share at a per Share price of \$0.085 until March 30, 2019.

TRADING PRICE AND VOLUME

As of the date of this prospectus, the Common Shares are listed on the TSXV and trade under the symbol "MZZ". Previously, from July 15, 2011 to July 31, 2017, during which period the Company's name was Nunavik Nickel Mines Ltd., the Company's Common Shares traded under the symbol "KZZ".

The following table sets out the price ranges and volume of the Common Shares traded on a monthly basis for each month (or partial month as applicable) during the 12-month period prior to the date of this prospectus.

<u>Month</u>	<u>Trading Price (\$)</u>		<u>Volume</u>
	<u>High</u>	<u>Low</u>	
October 2016	\$0.12	\$0.12	38,560
November 2016	\$0.12	\$0.06	68,992
December 2016	\$0.075	\$0.07	7,720
January 2017	\$0.10	\$0.085	9,380
February 2017	\$0.10	\$0.085	45,026
March 2017	\$0.09	\$0.075	146,040
April 2017	\$0.115	\$0.08	454,147
May 2017	\$0.17	\$0.10	296,032
June 2017	\$0.11	\$0.09	104,934
July 2017	\$0.14	\$0.09	133,845
August 2017	\$0.145	\$0.085	89,600
September 2017	\$0.14	\$0.09	190,177

On October 2, 2017, the last day the stock traded prior to the date of this prospectus, the closing price of the Common Shares on the TSXV was \$0.10 per Common Share.

CONSOLIDATED CAPITALIZATION

There have been no material changes in the Company's share or loan capital on a consolidated basis since June 30, 2017.

Upon completion of the Offering, and assuming the Offering is fully subscribed and also assuming that the Agent Commission is paid in cash, there will be:

- an aggregate of 30,350,655 Common Shares issued and outstanding (or 32,150,655 Common Shares if the Over-Allotment Option is exercised in full);
- Warrants to acquire an aggregate 10,578,661 Common Shares (or 11,478,661 if the Over-Allotment Option is exercised in full); and

- Agent Warrants entitling the purchase of 1,800,000 Common Shares (2,070,000 Common Shares if the Over-Allotment Option is exercised) will be outstanding.

PLAN OF DISTRIBUTION

The Offering

Pursuant to the Agency Agreement, the Company has appointed the Agent to act as sole lead manager and sole bookrunner in Canada to offer for sale to the public in each of Alberta, British Columbia, Ontario and Saskatchewan the Offered Units offered hereby on a commercially reasonable efforts basis, at the Offering Price, for minimum gross proceeds of \$1,200,000.

The Offering is being made in each of Alberta, British Columbia, Ontario and Saskatchewan. The Company is not making an offer to sell or a solicitation of an offer to buy the Offered Units in any jurisdiction where such offer or solicitation is not permitted.

Subscriptions for Offered Units 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. It is expected that closing of the Offering will occur on or about October 30, 2017, or such earlier or later date as the Company and the Agent may agree, but, in any event, not later than December 29, 2017. If the Offering is not completed within 90 days of the issuance of a receipt for the final short form prospectus, distribution under the Offering must cease unless an amendment to the final short form prospectus is filed and a receipt is obtained therefor by the Company in accordance with applicable securities laws, provided that the total period of distribution under the Offering will not exceed 180 days from the date of the receipt for the final short form prospectus.

Subscription funds received will be held in trust by the Agent pending closing of the Offering. If the Offering has not closed in accordance with the terms of the Agency Agreement, the Agent will return all subscription funds to the subscribers without interest or deduction, unless such subscribers have otherwise instructed the Agent.

Subject to certain other exceptions, registration of interests in and transfers of Common Shares underlying the Offered Units held through CDS or its nominee will be made electronically through the NCI system of CDS. A purchaser of Offered Units will receive only a customer confirmation from the registered dealer through which such Offered Units were purchased.

No Underwriter

The Offering is not underwritten or guaranteed by any person. The Agent has agreed to conditionally offer the Offered Units on a commercially reasonable efforts basis and, subject to prior sale if, as and when issued by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement, and subject to approval of certain legal matters on behalf of the Company by Getz Prince Wells LLP and on behalf of the Agent by McLeod Law LLP. While the Agent has agreed to use its commercially reasonable efforts to sell the Offered Units, the Agent is not obligated to purchase any Offered Units that are not sold.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion on the basis of its assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events, including the presence of a material adverse change in the affairs of the Company, unsatisfactory due diligence, or a breach by the Company of the Agency Agreement, among others.

Commission and Expenses

The Agency Agreement provides that the Company will pay to the Agent, in consideration for its services in connection with the Offering, the Agent Commission equal to 10% of the gross proceeds from the Offering (including the Additional Units issued upon exercise of the Over-Allotment Option) payable in cash, or a combination of cash and Agent Commission Units (each Agent Commission Unit issued at a deemed per Agent

Commission Unit price of \$0.10). The Over-Allotment Option is exercisable, at the sole discretion of the Agent, in whole or in part, within 60 days of closing of the Offering. The Company has also agreed to issue to the Agent non-transferable Agent Warrants entitling the Agent to subscribe for that number of Units as is equal to 10% of the number of Offered Units issued under the Offering (including the Additional Units issued upon exercise of the Over-Allotment Option), subject to adjustment in certain circumstances. Each Agent Warrant is exercisable for one Unit at the Offering Price for a period of 36 months following closing of the Offering, each Unit having the same underlying securities and attributes as the Offered Units. Subject to adjustment as noted below, this prospectus qualifies the distribution of the Agent Warrants and the Agent Commission Units (if any).

Subsection 11.2 of National Instrument 41-101 – *General Prospectus Requirements* restricts the maximum number of securities issued to the Agent that may be qualified under a prospectus to 10% of the total number of the securities distributed under the prospectus. For the purposes of this Offering, any combination of Agent Commission Units and Agent Warrants totalling up to 10% of the number of Offered Units sold are qualified compensation securities (“**Qualified Compensation Securities**”) and are qualified for distribution by this prospectus. To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Units sold, 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 four month hold period in accordance with applicable securities laws.

Determination of Offering Price

The Offering Price was determined by arm’s length negotiation between the Company and the Agent with reference to the prevailing market price of the Common Shares on the TSXV. Factors considered in these negotiations included prevailing market conditions, the Company’s financial information, market valuations of other companies that the Company and Agent believe to be comparable to the Company, estimates of the Company’s business potential, the present state of the Company’s development and other factors deemed relevant.

Listing

The Common Shares are listed on the TSXV under the trading symbol “MZZ”. The TSXV has conditionally accepted the listing of the Common Shares forming part of the Offered Units, the Agent Commission Units (if any) and the Agent Warrant Units, as well as the Common Shares issuable upon exercise of the Warrants, the Agent Warrant Units and the Agent Unit Warrants. Listing is subject to the Company fulfilling all of the requirements of the TSXV on or before December 5, 2017.

Option to Sell Additional Units

The Company has granted the Agent the Over-Allotment Option, exercisable in whole or in part by the Agent, at the sole discretion of the Agent, within 60 days of closing of the Offering to sell up to an additional 1,800,000 Offered Units at the Offering Price to cover over-allocations, if any (for greater certainty, a maximum of 15% in the aggregate of the number of Offered Units sold at closing of the Offering may be issued in Additional Units pursuant to the Over-Allotment Option). If the Over-Allotment Option is exercised in full, the total price to the public, Agent Commission and net proceeds to the Company (before deducting the balance of estimated expenses of the Offering) will be \$1,380,000, \$138,000 and \$1,242,000, respectively. The grant of the Over-Allotment Option and the Additional Units issued upon exercise of the Over-Allotment Option are qualified for distribution under this prospectus. A purchaser who acquires Additional Units forming part of the Agent’s over-allocation position acquires such Additional Units under this prospectus, regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Right of First Refusal

From August 28, 2017, for a period of 24 months from the closing of the Offering, the Company has agreed to provide the Agent with the exclusive right and opportunity to act as agent for a minimum economic syndicate position of 25% (the “**ROFR Amount**”) for any offering of securities of the Company to be issued and sold in Canada by private placement or public offering (subject to certain exceptions); or to provide professional,

sponsorship or advisory services performed (or normally performed) by a broker or investment dealer. If the Company is intending to proceed with any such issuance or has received a proposal for any such issuance, the Company shall provide to the Agent notice of the proposed terms thereof (including the commission payable to that agent) and the Agent shall have an opportunity to respond to the Company that it is desirous of acting as agent, or participating as the case may be for the ROFR Amount, in such offering on behalf of the Company on the terms and conditions contained therein. If the Agent declines, in writing, the Company may proceed with such offering through another agent or underwriter, provided the arrangements with such agent or underwriter are entered into within 30 days thereafter (it being acknowledged and agreed by the Agent that if the Company issues any securities to which the foregoing would apply, but does not retain or utilize a registered dealer as agent therefore, the foregoing shall not apply to such issuance, unless any of the subscribers to the issuance of such securities is a subscriber or beneficial purchaser of Offered Units pursuant to the Offering).

SIGNIFICANT ACQUISITIONS

The Company has not undertaken any significant acquisitions completed within 75 days prior to the date of this short form prospectus for which disclosure is required under Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators (or Regulation 51-102 *respecting Continuous Disclosure Obligations* in the Province of Québec).

CERTAIN CANADIAN INCOME TAX CONSIDERATIONS

In the opinion of Thorsteinssons LLP, tax counsel to the Company, the following is, as at the date of this short form prospectus, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to an investor who acquires Units pursuant to the Offering and who, for the purposes of the Tax Act and at all relevant times: (i) deals at arm's length with the Company and the Agent, (ii) is not affiliated with the Company or the Agent, and (iii) acquires and holds the Common Shares, Warrant Shares (hereinafter sometimes collectively referred to as the "**Shares**") and Warrants as capital property (a "**Holder**"). Generally, the Shares and Warrants will be considered to be capital property to a Holder thereof provided that the Holder does not use the Shares or Warrants 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.

This summary does not apply to a Holder (i) that is a "financial institution" for the purposes of the mark-to-market rules contained in the Tax Act, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) an interest in which would be a "tax shelter investment" as defined in the Tax Act, (iv) that makes or has made a functional currency reporting election under the Tax Act, (v) that has or will enter into a "derivative forward agreement", as that term is defined in the Tax Act, with respect to the Units, (vi) that is a partnership or a trust, (vii) that is a "principal-business corporation" (as defined in the Tax Act), or (viii) that is an agent. This summary does not address the deductibility of interest by a Holder who borrows money to acquire Units. Such Holders should consult their own tax advisors with respect to an investment in Units.

This summary is based upon the current provisions of the Tax Act in force as of the date hereof and counsel's understanding of the current published administrative policies and assessing practices of the Canadian Revenue Agency (the "**CRA**"). This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all.

This summary does not otherwise take into account any changes in law or in the administrative policies or assessing practices of the CRA, whether by legislative, governmental or judicial decision or action, nor does it take into account or consider any provincial, territorial or foreign income tax considerations, which considerations may differ significantly from the Canadian federal income tax considerations discussed in this summary.

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 income or other tax consequences will vary

depending on the particular circumstances of the Holder, including the province or provinces in which the Holder resides or carries on business. Accordingly, 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 representations to any particular Holder. Moreover, no advance income tax ruling has been applied for or obtained from the CRA to confirm the tax consequences of any of the transactions described herein. Holders should consult their own legal and tax advisors for advice with respect to the tax consequences of the transactions described in this short form prospectus based on their particular circumstances.

Allocation of Cost

The total purchase price of a Unit to a Holder must be allocated on a reasonable basis between the Common Share and each one-half of one Warrant to determine the cost of each to the Holder for purposes of the Tax Act.

For its purposes, the Company intends to allocate \$0.09 of the Offering Price of each Unit as consideration for the issue of each Common Share and \$0.01 of the Offering Price of each Unit for the issue of each one-half Warrant. Although the Company believes that its allocation is reasonable, it is not binding on the CRA or the Holder. The Holder's adjusted cost base of each Common Share comprising a part of each Unit is equal to the adjusted cost base to the Holder of all Common Shares owned by the Holder as capital property divided by the number of Common Shares held by the Holder.

Exercise of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder will have acquired a Warrant Share at a cost equal to the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of each Warrant Share so acquired is equal to the adjusted cost base to the Holder of all Common Shares owned by the Holder as capital property divided by the number of Common Shares held by the Holder.

Resident Shareholders

The following portion of this summary is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Holder**"). Certain Resident Holders whose Shares might not constitute capital property may make, in certain circumstances, an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Shares, and every other "Canadian security" as defined in the Tax Act, held by such persons, in the taxation year of the election and each subsequent taxation year to be capital property. This election does not apply to Warrants. Resident Holders should consult their own tax advisors regarding this election.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. For a description of the treatment of capital gains and capital losses, see "*Certain Canadian Income Tax Considerations – Resident Shareholders – Capital Gain / Loss*" below.

Dividends

Dividends received or deemed to be received on the Shares will be included in computing a Resident Holder's income. In the case of 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). An enhanced dividend tax credit will be available to individuals in respect of "eligible dividends" designated by the Company to the Resident Holder in accordance with the provisions of the Tax Act. There may be limitations on the ability of the Company to designate dividends as "eligible dividends".

Dividends received or deemed to be received on a Share by a Resident Holder that is a corporation will be included in computing the corporation's income and will generally be deductible in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of a disposition or a capital gain. A Resident 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 1/3% on the dividends received or deemed to be received to the extent such dividends are deductible in computing the Resident Holder's taxable income.

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

Dispositions of Shares and Warrants

Upon a disposition (or a deemed disposition) of a Share or a Warrant (other than on the exercise thereof), a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of such security, as applicable, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of such security, as applicable, to the Resident Holder. For a description of the treatment of capital gains and capital losses, see "*Certain Canadian Income Tax Considerations – Resident Shareholders – Capital Gain / Loss*" below.

Capital Gain / Loss

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "taxable capital gain") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "allowable capital loss") realized in a taxation year from taxable capital gains realized in the year by such Resident Holder. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year against taxable capital gains realized in such year to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of Shares by a Resident 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 specified by the Tax Act. Similar rules may apply where a Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is, throughout the relevant 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. Resident Holders that are "Canadian-controlled private corporations" should consult their own tax advisors regarding their particular circumstances.

On July 18, 2017, the Minister of Finance (Canada) released a consultation paper entitled "Tax Planning Using Private Corporations" and draft legislation to introduce and amend certain rules in the Tax Act. One of the stated goals in the paper is to eliminate perceived tax advantages of investing passively through a private corporation. As of the date of this prospectus, the Government of Canada is seeking feedback on possible approaches to address this issue. Holders should consult their own tax advisors as new developments arise.

Alternative Minimum Tax

Capital gains realized and dividends received by a Resident Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act.

Non-Resident Holders

The following portion of this summary is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act: (i) is not resident in Canada or is deemed not to be resident in Canada, and (ii) does not use or hold and is not deemed to use or hold its Shares or Warrants in, or in the course of carrying on, a business in Canada (a “**Non-Resident Holder**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere. Such Non-Resident Holders should consult their own tax advisors.

Dividends

A Non-Resident Holder will be subject to Canadian withholding tax on the amount of any dividends paid or credited or deemed to be paid or credited to it on any Shares owned by it. Under the Tax Act, the rate of withholding is 25% of the gross amount of the dividend. The withholding rate may be reduced pursuant to the provisions of an applicable income tax treaty or convention. Under the Canada-United States Tax Convention (1980), as amended (the “**Canada-US Tax Treaty**”), the withholding rate on any such dividend beneficially owned by a Non-Resident Holder that is a resident of the United States for purposes of the Canada-US Tax Treaty and fully entitled to the benefits of such treaty is generally reduced to 15%, and to 5% if such Non-Resident Holder is a corporation that beneficially owns at least 10% of the voting stock of the dividend payor.

Dispositions of Shares and Warrants

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Share or a Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Share or Warrant constitutes “taxable Canadian property” to the Non-Resident Holder thereof for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Provided the Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which includes the TSXV), at the time of disposition, the Shares and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, partnerships in which the Non-Resident Holder or such non-arm’s length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Company, and (ii) more than 50% of the fair market value of the shares of the Company was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, Canadian resource properties (as defined in the Tax Act), timber resource properties (as defined in the Tax Act) or an option, an interest or right in such property, whether or not such property exists. Notwithstanding the foregoing, a Share or Warrant may be deemed to be “taxable Canadian property” in certain other circumstances. Non-Resident Holders should consult their own tax advisors as to whether their Shares or Warrants constitute “taxable Canadian property”.

If the Shares or Warrants are “taxable Canadian property” to a Non-Resident Holder and such Non-Resident Holder is not exempt from tax under the Tax Act in respect of the disposition of such Shares or Warrants pursuant to an applicable income tax treaty or convention, the tax consequences as described above under the headings “*Certain Canadian Income Tax Considerations – Resident Shareholders – Dispositions of Shares and Warrants*” and “*Certain Canadian Income Tax Considerations – Resident Shareholders – Capital Gain / Loss*” will generally apply.

INTERESTS OF EXPERTS

None of Thorsteinssons LLP, tax counsel for the Company, nor Alain-Jean Beauregard, P.Geo., OGQ (#227), FGAC, and Daniel Gaudreault, P.Eng., OIQ (#39834), of Géologica Groupe-Conseil Inc., the authors of the Baden Report, each being companies or persons who have prepared or certified a report, valuation, statement or opinion in this short form prospectus, either directly or in a document incorporated by reference, and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company, nor any director, officer, employee or partner thereof or consultant thereto, as applicable, has received or will receive a direct or indirect interest in the property of the Company or of any associate or affiliate of the Company; nor are any of them expected to be elected, appointed or employed as a director, officer or employee of the Company.

The Company's auditor is MNP SENCRL srl/LLP, Chartered Accountants, of Montréal, Québec. MNP SENCRL srl/LLP certified the auditor's report on the financial statements of the Company for the fiscal year ended December 31, 2016, and has confirmed that they are independent with respect to the Company within the meaning of the Code of Ethics of the Ordre des Comptables Professionnels Agréés du Québec.

The Company's prior auditor was Raymond Chabot Grant Thornton LLP, Chartered Accountants, of Val-d'Or, Québec. Raymond Chabot Grant Thornton LLP certified the auditor's report on the financial statements of the Company for the fiscal year ended December 31, 2015, and has confirmed that they are independent with respect to the Company within the meaning of the Code of Ethics of the Ordre des Comptables Professionnels Agréés du Québec.

As of the date hereof, the aforementioned persons, and the directors, officers, employees and partners of or consultants to, as applicable, of each of the aforementioned companies and partnerships beneficially own, directly or indirectly, no securities of the Company or of any associate or affiliate of the Company.

LEGAL MATTERS

Certain Canadian legal matters relating to the Offering and this short form prospectus will be passed upon by Getz Prince Wells LLP on behalf of the Company and by McLeod Law LLP on behalf of the Agent. As of the date hereof, the partners and associates of Getz Prince Wells LLP and McLeod Law LLP, each as a group, beneficially own, directly or indirectly, no securities of the Company or of any associate or affiliate of the Company.

LIST OF EXEMPTIONS

On application by the Company, on August 31, 2017, the Autorité des Marchés Financiers granted the Company an exemption from the obligation under section 40.1 of the Québec *Securities Act*, RLRQ, c. V-1.1 and section 2.2 (2) of Regulation 41-101 to prepare a French version of the preliminary short form prospectus, which was filed by the Issuer on August 31, 2017, and the related short form prospectus, including the documents incorporated by reference therein.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

CERTIFICATE OF THE COMPANY

October 3, 2017

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Alberta, British Columbia, Ontario, Québec and Saskatchewan.

(signed) "Glenn J. Mullan"

Glenn J. Mullan
President & Chief Executive Officer

(signed) "Isabelle Gauthier"

Isabelle Gauthier
Chief Financial Officer

On Behalf of the Board of Directors of the Company

(signed) "Dimitri Maniatis"

Dimitri Maniatis
Director

(signed) "C. Jens Zinke"

C. Jens Zinke
Director

CERTIFICATE OF THE AGENT

October 3, 2017

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Alberta, British Columbia, Ontario, Québec and Saskatchewan.

CANACCORD GENUITY CORP.

(signed) "Jamie Brown"

Jamie Brown
Vice Chairman, Managing Director
Investment Banking