

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and may not be reoffered, resold or transferred to, or for the account or benefit, of a U.S. Person (as that term is defined in Regulation S of the U.S. Securities Act) except pursuant to an effective registration statement under the U.S. Securities Act, and any applicable state securities laws, or pursuant to an available exemption from the registration requirements from the U.S. Securities Act and any applicable state securities laws. This Prospectus (as defined herein) does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in the United States to, or for the account or benefit of, a U.S. Person. See “Plan of Distribution”.

**FINAL PROSPECTUS  
INITIAL PUBLIC OFFERING**

November 10, 2021

**COPPERCORP RESOURCES INC.**

550 – 800 West Pender Street  
Vancouver, BC V6C 2V6

**Up to 10,000,000 Common Shares**

**Price: \$0.50 per Common Share**

**Up to \$5,000,000**

CopperCorp Resources Inc. (the “**Company**”) is offering (the “**Offering**”) to purchasers resident in British Columbia, Alberta and Ontario, through its agent, Haywood Securities Inc. (the “**Agent**”), on a best efforts basis, up to 10,000,000 common shares in the capital of the Company (each, a “**Common Share**”) at a price of \$0.50 per Common Share (the “**Offering Price**”) for gross proceeds of up to \$5,000,000. The Offering Price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the TSX Venture Exchange (the “**Exchange**” or “**TSXV**”). See “Plan of Distribution”.

	Price to Public <sup>(1)</sup>	Underwriting Discounts or Commission <sup>(1)</sup>	Net Proceeds to the Company <sup>(2)(3)</sup>
Per Common Share	\$0.50	\$0.03	\$0.47
Offering	\$5,000,000	\$300,000	\$4,700,000

<sup>(1)</sup> Pursuant to the terms of the Agency Agreement (as defined herein) to be entered into between the Company and the Agent, the Company has agreed to pay the Agent upon closing of the Offering (the “**Closing**”) a cash commission (the “**Agent’s Commission**”) equal to 6.0% of the total gross proceeds of the Offering subject to a reduced fee equal to 2.0% for Common Shares sold to certain purchasers designated by the Company on a president’s list (the “**President’s List**”). In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with the Offering, towards which it has paid a deposit of \$15,000 (without GST) (the “**Due Diligence Deposit**”), from which those expenses are to be deducted. The Company has also agreed to pay the Agent a corporate finance fee of \$25,000 plus applicable GST (the “**Corporate Finance Fee**”), of which \$10,000 has been paid, with the remaining \$15,000 payable at the Closing. In addition to the Corporate Finance Fee, the Company has agreed to pay the Agent \$25,000 by the issuance of 50,000 Common Shares (the “**Corporate Finance Securities**”) at the Offering Price. This Prospectus qualifies the Corporate Finance Securities. See “Plan of Distribution”.

<sup>(2)</sup> Amounts are before deducting the costs of this issue, which are estimated at \$424,825, and include: legal fees; due diligence fees; audit fees; listing and filing fees; securities commission fees; and transfer agent fees. See “Use of Proceeds”.

<sup>(3)</sup> The Company has granted to the Agent an option (the “**Greenshoe Option**”), exercisable by the Agent for a period of up to thirty days from the date of Closing, to purchase up to an additional 15% of the number of Common Shares sold under the Offering at the Offering Price solely to cover over-allotments, if any. In the event the Agent exercises the Greenshoe Option in full, the total offering proceeds will be \$5,750,000, the total Agent’s Commission will be \$345,000 and the net proceeds to the Company will be \$5,405,000 (before deducting the costs of this issue, which are estimated at \$424,825). The grant of the Greenshoe Option and the distribution of the Common Shares issued or sold pursuant to the exercise of the Greenshoe Option are qualified for distribution under this Prospectus. See “Plan of Distribution”.

The Agent (including any registered sub-agents who assist the Agent in the distribution of the Common Shares), as exclusive agent for the purposes of the Offering, conditionally offers the Common Shares, on a best efforts basis, if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the terms and conditions contained in the Agency Agreement. See “*Plan of Distribution*”.

Subscriptions for the Common Shares will be received subject to rejection or allotment in whole or in part by the Company and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a Receipt is issued or, if a Receipt has been issued for an amendment to this Prospectus, within 90 days of issuance of such Receipt, and in any event not later than 180 days from the date of the Receipt. It is expected that the Common Shares will be delivered in electronic book entry form through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee at the Closing unless the Agent elects to receive physical share certificates, which will be available for delivery at the Closing. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant from or through which the Common Shares were purchased.

**No minimum amount of funds must be raised under the Offering. This means that the Company could complete the Offering after raising only a small proportion of the offering amount set out above.**

**There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See “*Risk Factors*”.**

The Company has applied to list the Common Shares on the TSXV. The TSXV has not approved the listing of the Common Shares. Neither the Listing nor the intended timing of the Listing can be guaranteed. The Listing of the Common Shares will be subject to the Company fulfilling all of the listing requirements of the TSXV, which cannot be guaranteed.

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

**An investment in the Common Shares should be considered highly speculative due to the nature of the Company’s business, its present stage of development and other risk factors. Investors should not invest any funds in the Offering unless they can afford to lose their entire investment. See “*Risk Factors*”.**

**Messrs. Samuel Garrett and Eoin Saadien, each a director of the Company, reside outside of Canada. Messrs. Samuel Garrett and Eoin Saadien have appointed Clark Wilson LLP, 800 – 885 West Georgia Street, Vancouver, British Columbia V6C 3H1 as agent for service of process in Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.**

**Investors should consider an investment in the securities of the Company to be speculative and should review the risk factors outlined on page 73 of this Prospectus.**

The Company is not a related issuer to the Agent or a connected issuer to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*). Members of the professional group of the Agent hold, in the aggregate, 335,500 Common Shares of the Company or 0.60% of the issued and outstanding Common Shares as of the date of this Prospectus. Upon closing of the Offering, the members of the professional group of the Agent would hold 0.51% of the issued and outstanding Common Shares, respectively. See “*Relationship between the Company and Agent*”.

The following table summarizes the securities to be granted by the Company to the Agent in connection with the Closing:

Agent's Position	Maximum Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Corporate Finance Securities <sup>(1)</sup>	50,000 Common Shares <sup>(2)</sup>	The Closing Date	\$0.50
Greenshoe Option	1,500,000 Common Shares <sup>(3)</sup>	Up to 30 days after the Closing Date	\$0.50

<sup>(1)</sup> Issued to the Agent as part of its compensation in connection of the Offering. See "Plan of Distribution".

<sup>(2)</sup> The Corporate Finance Securities are qualified under this Prospectus. See "Plan of Distribution".

<sup>(3)</sup> Assuming the Greenshoe Option is exercised in full by the Agent.

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

**Haywood Securities Inc.  
200 Burrard Street, Suite 700  
Vancouver, BC V6C 3L6  
Telephone: (604) 697-7100  
Facsimile: (604) 697-7499**

## TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS .....	1
CURRENCY .....	4
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS .....	4
NOTE TO INVESTORS .....	5
TECHNICAL INFORMATION.....	5
PROSPECTUS SUMMARY .....	7
CORPORATE STRUCTURE.....	10
GENERAL DEVELOPMENT OF THE BUSINESS.....	10
NARRATIVE DESCRIPTION OF THE BUSINESS .....	11
DATA VERIFICATION .....	45
USE OF PROCEEDS .....	48
DIVIDENDS.....	50
MANAGEMENT’S DISCUSSION AND ANALYSIS.....	51
DESCRIPTION OF THE SECURITIES DISTRIBUTED .....	51
CONSOLIDATED CAPITALIZATION.....	51
OPTIONS TO PURCHASE SECURITIES .....	52
PRIOR SALES .....	55
ESCROWED SECURITIES.....	55
PRINCIPAL SECURITYHOLDERS .....	57
DIRECTORS AND EXECUTIVE OFFICERS .....	58
EXECUTIVE COMPENSATION .....	64
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	68
AUDIT COMMITTEE .....	68
CORPORATE GOVERNANCE.....	70
PLAN OF DISTRIBUTION.....	72
RISK FACTORS .....	73
PROMOTERS.....	81
LEGAL PROCEEDINGS AND REGULATORY ACTIONS .....	81
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS .....	82
RELATIONSHIP BETWEEN COMPANY AND AGENT .....	82
AUDITORS, TRANSFER AGENT AND REGISTRAR .....	82
MATERIAL CONTRACTS.....	82
EXPERTS.....	83
RIGHTS OF WITHDRAWAL AND RESCISSION .....	83
FINANCIAL STATEMENTS.....	83
APPENDIX A – FINANCIAL STATEMENTS.....	A-1
APPENDIX B – MANAGEMENT’S DISCUSSION AND ANALYSIS.....	B-1
APPENDIX C – AUDIT COMMITTEE CHARTER .....	C-1
CERTIFICATE OF THE COMPANY.....	D-1
CERTIFICATE OF THE PROMOTER.....	D-1
CERTIFICATE OF THE AGENT.....	D-2

## GLOSSARY OF DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires. Expressions used in this Prospectus and other terms and expressions may be defined throughout this Prospectus.

<b>“Agency Agreement”</b>	the agency agreement dated November 10, 2021 between the Company and the Agent, providing that the Agent, on behalf of the Company, conditionally offers the Common Shares, on a best efforts basis.
<b>“Agent”</b>	Haywood Securities Inc.
<b>“Agent’s Commission”</b>	the cash commission equal to 6% of the total gross proceeds of the Offering payable to the Agent on Closing.
<b>“Articles”</b>	the articles of the Company.
<b>“ASC”</b>	Alberta Securities Commission.
<b>“Author”</b>	Tim Callaghan, BSc (Hons), M. Econ. Geol., MAusIMM., MAIG, an independent consulting geologist.
<b>“BCBCA”</b>	the <i>Business Corporations Act</i> (British Columbia).
<b>“BCSC”</b>	the British Columbia Securities Commission.
<b>“Board”</b>	the board of directors of the Company.
<b>“CDS”</b>	CDS Clearing and Depository Services Inc.
<b>“CEO”</b>	Chief Executive Officer.
<b>“CFO”</b>	Chief Financial Officer.
<b>“Closing”</b>	the closing of the Offering.
<b>“Closing Date”</b>	the date of the closing of the Offering.
<b>“Commercial Production”</b>	the operation of the Property or any portion thereof as a producing mine and the production of mineral products therefrom (excluding bulk sampling, pilot plant or test operations).
<b>“Common Shares”</b>	the common shares in the capital of the Company without par value.
<b>“Company”</b>	CopperCorp Resources Inc., a corporation incorporated under the BCBCA.
<b>“Corporate Finance Fee”</b>	the corporate finance fee of \$25,000 plus applicable GST payable to the Agent, \$10,000 of which has been paid with the remaining \$15,000 payable at the Closing.
<b>“Corporate Finance Securities”</b>	Common Shares issued to the Agent as payment in accordance with the terms of the Agency Agreement.
<b>“Due Diligence Deposit”</b>	the deposit of \$15,000 (without GST) payable to the Agent, which was paid upon entry into the Engagement Letter.

<b>“Engagement Letter”</b>	the engagement letter dated May 25, 2021 between the Company and the Agent.
<b>“Escrow Agent”</b>	Odyssey Trust Company.
<b>“Escrow Agreement”</b>	the escrow agreement dated November 10, 2021 among the Company, the Escrow Agent and certain securityholders of the Company pursuant to NP 46-201 and the policies of the TSXV.
<b>“Escrow Securities”</b>	the 23,442,023 Common Shares, 2,300,713 warrants to purchase Common Shares, and 3,950,000 Options to be deposited into escrow pursuant to the Escrow Agreement.
<b>“Escrow Securityholders”</b>	the securityholders of the Company whose Escrow Securities will be subject to the Escrow Agreement.
<b>“Exchange”</b>	TSX Venture Exchange.
<b>“Georgina”</b>	Georgina Resources Pty Ltd ACN 156 424 323, a corporation formed under the laws of the Commonwealth of Australia, and a wholly owned subsidiary of the Company.
<b>“Georgina Finance Agreement”</b>	the financing agreement dated November 9, 2020 by and among the Company, Georgina, and the Georgina Vendors pursuant to which the Company agreed to conduct financings to raise gross proceeds of at least \$1,700,000 and up to \$4,200,000 to finance the Company’s operations following the closing of the Georgina Purchase Agreement.
<b>“Georgina Purchase Agreement”</b>	the share purchase agreement dated November 9, 2020 by and among the Company, Georgina, and the Georgina Vendors pursuant to which the Company acquired all of the outstanding securities of Georgina from the Georgina Vendors in exchange for 10,300,000 Common Shares and the Royalty.
<b>“Georgina Vendors”</b>	the former securityholders of Georgina immediately prior to the closing of the Georgina Purchase Agreement.
<b>“License”</b>	Exploration License EL2/2018, License ID 102031.
<b>“Listing”</b>	the listing of the Common Shares for trading on the Exchange.
<b>“Listing Date”</b>	the date of the Listing.
<b>“Greenshoe Option”</b>	the option granted by the Company to the Agent to purchase up to an additional 15% of the Offering at the Offering Price solely to cover over-allotments, if any, exercisable for a period of up to thirty days from the date of Closing.
<b>“MA”</b>	Mining Associates Pty Ltd., the company that completed the Technical Report.
<b>“MD&amp;A”</b>	management’s discussion and analysis.
<b>“NI 41-101”</b>	National Instrument 41-101 – <i>General Prospectus Requirements</i> .
<b>“NI 43-101”</b>	National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> .
<b>“NP 46-201”</b>	National Policy 46-201 – <i>Escrow for Initial Public Offerings</i> .

<b>“NI 52-110”</b>	National Policy 52-110 – <i>Audit Committees</i> .
<b>“Offering”</b>	the offering of up to 10,000,000 Common Shares at a price of \$0.50 per Common Share pursuant to this Prospectus, subject to the Greenshoe Option.
<b>“Offering Price”</b>	\$0.50 per Common Share.
<b>“OSC”</b>	the Ontario Securities Commission.
<b>“Option”</b>	a stock option granted pursuant to the Stock Option Plan to acquire Common Shares.
<b>“President’s List”</b>	the list of purchasers designated by management of the Company on a president’s list.
<b>“Property” or the “Alpine Prospect”</b>	the Alpine Property of the Company, as evidenced by the License.
<b>“Prospectus”</b>	this final prospectus dated November 10, 2021.
<b>“Qualified Person”</b>	means an individual who: <ul style="list-style-type: none"><li>(a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these;</li><li>(b) has experience relevant to the subject matter of the Property and of the Technical Report; and</li><li>(c) is in good standing with a professional association and, in the case of a foreign association listed in Appendix A of NI 43-101, has the corresponding designation in Appendix A of NI 43-101.</li></ul>
<b>“Receipt”</b>	a receipt from the BCSC for this Prospectus.
<b>“Royalty”</b>	the 1.5% net smelter return royalty to be granted by the Company, through Georgina, to the Georgina Vendors, pro-rata, pursuant to the Royalty Deed, payable following commencement of Commercial Production.
<b>“Royalty Deed”</b>	the deed pursuant to which the Royalty was granted by the Company, through Georgina, to the Georgina Vendors.
<b>“SEDAR”</b>	System for Electronic Document Analysis and Retrieval.
<b>“Skyline Property”</b>	the Skyline Property of the Company, as evidenced by Exploration License EL16/2018.
<b>“Stock Option Plan”</b>	the stock option plan adopted by the Board on May 14, 2021.
<b>“Technical Report” or the “Report”</b>	the technical report of the Author dated effective April 18, 2021, entitled “Independent Technical Report on EL2/2018 Tasmania Australia” prepared in accordance with the requirements of NI 43-101.
<b>“Transfer Agent”</b>	Odyssey Trust Company.

<b>“Transfer Agent Agreement”</b>	the transfer agent and registrar agreement dated May 26, 2021, between the Company and the Transfer Agent.
<b>“Voluntary Escrow Agent”</b>	Clark Wilson LLP.
<b>“Voluntary Escrow Agreement (12)”</b>	the voluntary escrow agreement dated April 13, 2021 among the Company, the Voluntary Escrow Agent, and the holders of the Voluntary Escrow Securities (12).
<b>“Voluntary Escrow Agreement (24)”</b>	the voluntary escrow agreement dated April 13, 2021 among the Company, the Voluntary Escrow Agent, and the holders of the Voluntary Escrow Securities (24).
<b>“Voluntary Escrow Agreements”</b>	the Voluntary Escrow Agreement (12) and the Voluntary Escrow Agreement (24).
<b>“Voluntary Escrow Securities (12)”</b>	the 22,441,873 Common Shares and 11,220,935 warrants to purchase Common Shares deposited into escrow pursuant to the Voluntary Escrow Agreement (12).
<b>“Voluntary Escrow Securities (24)”</b>	the 33,113,490 Common Shares deposited into escrow pursuant to the Voluntary Escrow Agreement (24).
<b>“Voluntary Escrow Securities”</b>	the aggregate 55,555,363 Common Shares and 11,220,935 warrants to purchase Common Shares deposited into voluntary escrow pursuant to the Voluntary Escrow Agreements and pursuant to the subscription agreements between certain Voluntary Escrow Securityholders and the Company.
<b>“Voluntary Escrow Securityholders”</b>	the securityholders of the Company whose Voluntary Escrow Securities are subject to voluntary escrow pursuant to the Voluntary Escrow Agreements and pursuant to the subscription agreements between certain Voluntary Escrow Securityholders and the Company.
<b>“United States”</b>	the United States of America and its territories and possessions.

#### CURRENCY

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

#### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements in this Prospectus may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, **“forward-looking information”**) within the meaning of Canadian securities laws. Forward-looking information may relate to this Prospectus, the Company’s future outlook and anticipated events or results and, in some cases, can be identified by terminology such as “may”, “could”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “projects”, “predict”, “potential”, “targeted”, “possible”, “continue” or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, the Company’s opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company’s available cash resources and other statements about future events or results and those with respect to commodity prices, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, the timing and amount of future production, the timing of construction of any proposed mine and process facilities, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable. In particular, this Prospectus contains forward-looking statements pertaining to the following:

- Proposed expenditures for exploration work, and general and administrative expenses (see: “*Narrative Description of the Business – Recommendations*” and “*Use of Proceeds*” for further details); and
- Expectations generally regarding completion of this Offering, the ability to raise further capital for corporate purposes and the utilization of the net proceeds of the Offering.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed elsewhere herein and any other of the Company’s concurrent public filings, and include the availability and final receipt of required approvals, licenses and permits, sufficient working capital to conduct future exploration activities, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated costs of funds, availability of a qualified work force, that exploration timetables and capital costs for the Company’s exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions, that any environmental and other proceedings or disputes are satisfactorily resolved, and that the Company maintains its ongoing relations with its business partners and governmental authorities. While the Company considers these material factors and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See “*Risk Factors*”. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, that the Company has a limited operating history, resource exploration and development is a speculative business, the Company may lose or abandon its interest in the Property, the Property is in the exploration stage and is without known bodies of commercial ore, the Company may not be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on any of its properties, environmental laws and regulations may become more onerous, the Company’s ability to raise additional funds by equity financing and the fluctuating price of metals, as well as the other factors discussed in the section of this Prospectus entitled “*Risk Factors*”. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are based upon management’s beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Company does not intend, and undertakes no obligation to, update any forward-looking information to reflect, among other things, new information or future events.

For the reasons set forth above, investors should not place undue reliance on forward looking statements.

This Prospectus includes many cautionary statements, including those stated under the heading “*Risk Factors*”. You should read these cautionary statements as being applicable to all related forward-looking statements wherever they appear in this Prospectus.

#### **NOTE TO INVESTORS**

An investor should rely only on the information contained in this Prospectus and is not entitled to rely on certain parts of the information contained in this Prospectus to the exclusion of others. Neither the Company nor the Agent has authorized anyone to provide investors with additional or different information. Neither the Company nor the Agent is offering to sell these securities in any jurisdictions where the offer or sale is not permitted. The information contained in this Prospectus is accurate only as of the date of this Prospectus, regardless of the time of delivery of this Prospectus or any sale of the Common Shares. The Company’s business, financial condition, results of operations and prospects may have changed since the date of this Prospectus. In the event that a material change occurs before the completion of the listing of the Common Shares on the TSXV, the Company will file an amendment to this Prospectus as soon as practicable.

#### **TECHNICAL INFORMATION**

Technical information relating to the Property contained in this Prospectus is derived from, and in some instances is an extract from, the Technical Report. The disclosure set out below regarding the Technical Report is based on, without

material modification or revision, disclosure in the Technical Report, and has been approved by Sean Westbrook, a “qualified person” as such term is defined in NI 43-101 and the VP Exploration of the Company.

Reference should be made to the full text of the Technical Report which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## PROSPECTUS SUMMARY

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

### **Principal Business of the Company**

The Company is currently engaged in the business of exploration of mineral properties in Australia. Its objective is to explore, locate and potentially develop economic precious and base metals properties of merit. The Company may in the future explore for minerals outside of Australia. The Company is the registered owner, through its wholly owned subsidiary Georgina, of certain mineral exploration licenses and claims located in Tasmania, Australia. See "*General Development of the Business*".

### **Offering**

The Company is offering up to 10,000,000 Common Shares at a price of \$0.50 per Common Share for gross proceeds of up to \$5,000,000, subject to the Greenshoe Option, to the public in the Provinces of British Columbia, Alberta and Ontario. The Prospectus qualifies the distribution of the Common Shares and the Corporate Finance Securities. See "*Plan of Distribution*".

### **Agent's Commission**

Pursuant to the terms of the Agency Agreement to be entered into between the Company and the Agent, the Company has agreed to pay the Agent the Agent's Commission equal to 6.0% of the total gross proceeds of the Offering, subject to a reduced fee equal to 2.0% for Common Shares sold to certain purchasers on the President's List. In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with the Offering, towards which it has paid the Due Diligence Deposit of \$15,000 (without GST) from which those expenses are to be deducted. The Company has also agreed to pay the Agent the Corporate Finance Fee of \$25,000 plus applicable GST of which \$10,000 has been paid, with the remaining \$15,000 payable at the Closing. In addition to the Corporate Finance Fee, the Company has agreed to pay the Agent \$25,000 in Corporate Finance Securities by the issuance of 50,000 Common Shares at the Offering Price. This Prospectus qualifies the Corporate Finance Securities. See "*Plan of Distribution*".

### **Funds Available and Principal Uses**

Assuming the Offering is completed, the estimated net proceeds of the Offering, after deducting the estimated balance of the expenses of the Offering of \$424,825, and the Agent's Commission of 6.0% (\$300,000) under the Offering (or \$345,000 in the event the Greenshoe Option is exercised in full) are expected to be \$4,275,175 (or \$4,980,175 in the event the Greenshoe Option is exercised in full). As at October 31, 2021, the Company had working capital of approximately \$6,830,811. Accordingly, the Company anticipates having available funds of approximately \$11,105,986 following the Closing.

As at June 30, 2021, the Company had working capital of approximately \$7,551,935. The principal changes to the working capital as at October 31, 2021 compared to as at June 30, 2021 are due to: mineral expenditures (\$463,000); management, director and consulting fees (\$138,000) and general, administrative, professional and filing fees (\$120,000).

The Company's estimated use of funds (assuming no exercise of the Greenshoe Option) for the twelve months following the Closing is as follows:

Use of Available Funds	(\$) <sup>(1)</sup>
Proposed 12 month exploration program as outlined in the Technical Report <sup>(2)</sup>	705,730 <sup>(3)</sup>
General and administrative expenses for 12 months <sup>(4)</sup>	1,435,254
Second phase exploration program	2,500,000 <sup>(5)</sup>
Unallocated working capital <sup>(6)</sup>	6,465,002
<b>Total:</b>	<b>11,105,986</b>

<sup>(1)</sup> The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. See *"Use of Proceeds"*.

<sup>(2)</sup> See table in section under heading *"Narrative Description of the Business - Recommendations"* for a summary of the work to be undertaken, a breakdown of the estimated costs, and the nature of title to or the Company's interest in the Property.

<sup>(3)</sup> Based on an exchange rate of AUD\$1.00 equal to \$0.9215 based on August 27, 2021 spot rate obtained from Bank of Canada. As of the date of this Prospectus, a portion (\$969,727) of the proposed exploration program (\$1,675,457) has already been completed. Of the \$969,727 already spent, \$364,345 has been spent on diamond drilling, \$423,251 has been spent on geological consulting, \$146,108 has been spent on field and general operations, and \$36,023 has been spent on Geophysics. The total of \$1,675,457 is equivalent to approximately AUD\$2,000,000 as set out in the Technical Report, without including Australian Goods and Services tax of 10%, as this amount is refundable to the Company.

<sup>(4)</sup> Estimated general and administrative expenses for the next 12 months include: \$693,450 for management fees (see *"Proposed Compensation to be paid to Executive Officers"* on page 68); \$300,000 for IR and marketing; \$138,000 for accounting and compliance; \$150,000 for professional fees; \$112,804 for office expenses, and \$41,000 for insurance.

<sup>(5)</sup> Management has allocated this amount as an approximate budget and the actual cost may vary. Any second phase exploration program is contingent on positive results from the initial 12 month exploration work program as outlined in the Technical Report.

<sup>(6)</sup> Any funds received upon exercise of the Greenshoe Option will be treated as unallocated working capital. The Company intends to spend the funds available to it as stated in this Prospectus. Following the completion of the proposed 12 month work exploration program on the Property, additional expenditures on the Property may be warranted. In addition, the Company expects to incur similar general and administrative expenses annually following the initial 12 month period following the Closing. In addition, management of the Company has determined that, due to financing uncertainties affecting the mineral exploration industry in general, it is prudent to retain unallocated working capital in the event financing difficulties or a market downturn occurs in the future. There may be circumstances however, where, for sound business reasons, a reallocation of budgeted funds may be necessary. The use of funds available will vary depending on the Company's operating and capital needs from time to time and will be subject to the discretion of management of the Company.

For additional information with respect to the use of proceeds, see *"General Development of the Business – Business of the Company"* and *"Use of Proceeds – Business Objectives and Milestones"*. The Company intends to spend its available funds as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. See *"Use of Proceeds"*.

## The Listing

The Company has applied to list the Common Shares on the TSXV. Listing will be subject to the Company's fulfilling all of the listing requirements of the TSXV, including, without limitation, the distribution of the Common Shares to a minimum number of public shareholders and the Company meeting the minimum listing requirements of the TSXV.

## Risk Factors

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company.

The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: insufficient capital; no established market; limited operating history; lack of operating cash flow; resale of shares; price volatility of publicly traded securities; market for securities; property interests; exploration, development and production risks; mineral resources and reserves; obtaining and renewing licenses and permits; no assurances; title risks, loss of interest in properties; uninsurable risks; additional funding requirements; dilution; environmental risks; regulatory requirements; volatility of mineral prices; offering price; infrastructure; risks associated with acquisitions; executive employee recruitment and retention; adverse general economic conditions; claims and legal proceedings; force majeure; uncertainty of use of proceeds; competition; conflicts of interest; dividends; litigation; reporting issuer status; tax issues; and operating hazards, risks and insurance. See the section entitled *"Risk Factors"* on

page 73 for details of these and other risks relating to the Company's business. **An investment in the Common Shares is suitable for only those investors who are willing to risk a loss of their entire investment and who can afford to lose their entire investment. Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of an investment in the Common Shares.**

#### Selected Financial Information

The following selected financial information has been derived from and is qualified in its entirety by the financial statements of the Company and notes thereto. The selected should be read in conjunction with the Company's audited financial statements for the period from incorporation on July 21, 2020 to December 31, 2020 and the unaudited interim financial statements for the six months ended June 30, 2021.

The Company has established December 31 as its financial year-end. See "*Management's Discussion and Analysis*" and "*Financial Statements*", as included elsewhere in this Prospectus:

	For the period from July 21, 2020 to December 31, 2020 (Audited) (\$)	For the six months ended June 30, 2021 (Unaudited) (\$)
Total revenues	-	-
Loss for the Period	(70,721)	(2,610,904)
Total Assets	6,669,494	8,288,602
Total Liabilities	41,498	178,305
Shareholder's Equity	6,627,996	8,110,297
Loss per share (basic and diluted)	(0.01)	(0.05)

## CORPORATE STRUCTURE

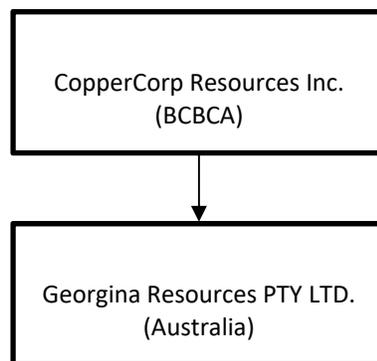
### Name and Incorporation

The Company was incorporated under the BCBCA on July 21, 2020 under the name “1258168 B.C. Ltd.” On April 28, 2021, the Company changed its name to “CopperCorp Resources Inc.”.

The Company’s head office is located at 550 – 800 West Pender Street, Vancouver, BC V6C 2V6, and its registered office is located at 800-885 West Georgia Street, Vancouver, BC V6C 3H1.

### Intercorporate Relationships

The Company has one wholly owned subsidiary, Georgina. The following diagram presents the organizational chart of the Company, as of the date of this Prospectus:



## GENERAL DEVELOPMENT OF THE BUSINESS

### Business of the Company

The principal business carried on and intended to be carried on by the Company is the exploration of mineral resources on the Company’s principal property, being the Property, which is in the exploration stage. To date, the Company has raised \$9,098,267 through the sale of Common Shares. See “*Prior Sales*”.

#### *Georgina Purchase Agreement*

The Company entered into the Georgina Purchase Agreement with Georgina and the Georgina Vendors on November 9, 2020, whereby the Company acquired all of the issued and outstanding securities of Georgina from the Georgina Vendors in exchange for 10,300,000 Common Shares and the Royalty. Georgina is the registered owner of certain mineral exploration licenses and claims located in Tasmania, Australia. The Georgina Purchase Agreement was negotiated at arm’s length by the parties and included customary representations and warranties for a transaction of this nature. The Georgina Purchase Agreement is governed by the laws of British Columbia. The Georgina Purchase Agreement is not considered a related party transaction under International Accounting Standard 24.

#### *Royalty*

The Company, through Georgina, granted the Royalty to the Georgina Vendors. The Royalty is a 1.5% net smelter return royalty granted by the Company to the Georgina Vendors, payable following commencement of commercial production. The Company has an option to purchase the Royalty for \$3,000,000. The Royalty and any dispute or claim arising out of or in connection with it or its subject matter is governed by the laws of Tasmania and the federal laws of Australia applicable

therein. Under the terms of the Royalty, the Company, through Georgina, registered a charge over the License and other mineral exploration licenses and claims that are held by Georgina.

### **Competitive Conditions**

The mineral exploration industry is competitive, with many companies competing for the limited number of precious and base metals acquisition and exploration opportunities that are economic under current or foreseeable metals prices, as well as for available investment funds. Competition is also high for the recruitment of qualified personnel and equipment. Significant and increasing competition exists for mineral opportunities in Tasmania, Australia. There are a number of large established mineral exploration and mining companies in Tasmania, Australia with substantial capabilities and greater financial and technical resources than the Company.

### **Government Regulation**

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

### **Environmental Regulation**

The Company's mineral exploration activities are subject to various federal and provincial laws and regulations governing protection of the environment. In general, these laws are amended often and are becoming more restrictive.

### **Other Property Interests and Mining Claims**

The Company may in the future acquire new mineral exploration properties or interests but has not entered into any agreements to acquire such properties or interests other than the Property and the Skyline Property. Potential new exploration properties may be located outside of Australia, but at this time the Company has not sought to explore outside of Tasmania, Australia.

### **Trends**

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

The Company's financial performance is dependent upon many external factors. Both prices and markets for metals are volatile, difficult to predict and subject to changes in domestic and international, political, social and economic environments. Circumstances and events beyond its control could materially affect the Company's financial performance.

## **NARRATIVE DESCRIPTION OF THE BUSINESS**

### **Stated Business Objectives**

The principal business carried on and intended to be carried on by the Company is the acquisition, exploration and development of mineral exploration properties. The Company intends on expending existing working capital and net proceeds raised from this Offering to pay the balance of the estimated costs of this Offering, to carry out exploration on the Property, to pay for administrative costs for the next twelve months and for general unallocated working capital. The Company may decide to acquire other properties in addition to the mineral properties described below.

#### *Alpine Property*

The following represents information summarized from the Technical Report on the Property by the Author, a Qualified Person, prepared in accordance with the requirements of NI 43-101. **All figures and tables from the Technical Report are reproduced in and form part of this Prospectus; a complete copy of the Technical Report is available for review on SEDAR.**

## Property Description and Location

### *Location and Access*

The Property (Figure 1 below) is located over the southern end of the Arthur Metamorphic Lineament (“**AML**”) in western Tasmania. It covers an area of 95km<sup>2</sup> centred on several linear aeromagnetic features associated with magnetite bearing mafic schist. The EL is located 30km northwest of the town of Zeehan and 30km south of the Savage River magnetite mine on the west coast of Tasmania. The district hosts many mineral deposits including the world class Renison Bell and Mt Bischoff tin deposits, Rosebery and Hellyer polymetallic sulphide deposits as well as many other granitic and volcanogenic related deposits.

**FIGURE 1 – Property Location and Access Map**



### *Mineral Titles*

The Property is covered by Exploration License EL2/2018 and is located over the southern end of the AML in western Tasmania. Title to the Property is held 100% by Georgina, a wholly owned subsidiary of the Company. The claims which comprise the Property are in good standing as of the date of this Prospectus (Table 1).

**TABLE 1 – Mineral Claims of the Property**

License ID	Claim Name	Owner	Issue Date	Good To Date	Area (ha.)	Annual Rent (AUD)	Minimum Expenditure (AUD)
102031	EL2/2018	Georgina Resources	6/8/2018	5/8/2023	9500	\$5,586	\$47,500

The Company is obligated to provide Mineral Resources Tasmania (“MRT”) the with annual reports, detailing exploration activities completed, proposed exploration programs and expenditures.

An annual report must be submitted by the anniversary date of the License. The annual report must be a full technical report detailing all exploration undertaken and results obtained during the year. The annual report must also include details of all work planned for the coming year. The annual report is to be in accordance with the reporting guidelines, including stipulated data submission formats. If the area of the License is to be reduced, the License holder must apply to surrender and must submit a final report on the area to be relinquished.

At the end of the five-year term an application for an extension of term must be submitted with a work program if the License is to be retained.

*Mineral Rights in Tasmania, Australia*

Mineral exploration and mining in Tasmania are regulated by the State Government Mineral Resources Development Act 1995. MRT, a division of the Department of State Growth, is responsible for the administration and regulation of mining and exploration activities in the state.

Exploration licenses in Tasmania are initially granted for a period of five years. The term of an exploration license may be extended at the discretion of the Minister if the holder is able to show grounds for extension.

Exploration licenses may be granted for one or more of the following mineral categories:

- Category 1: metallic minerals and atomic substances
- Category 2: coal, peat, lignite, oil shale and coal seam gas
- Category 3: rock, stone, gravel, sand and clay used in construction, bricks and ceramics
- Category 4: petroleum products except oil shale
- Category 5: industrial minerals, precious stones, semi-precious stones
- Category 6: any geothermal substance

Only one exploration license may be issued for the same category of minerals on the same land. Within the area of the license, the holder of the license has the exclusive right to apply for a mining lease in respect of the category of minerals specified in the license. Exploration licenses can be issued for different categories of mineral over the same land.

The holder has the right to object to the issue of an exploration license or a mining lease for other mineral categories in the license.

EL2/2018 is a Category 1 Mineral Lease giving the owner the rights to all metallic minerals and atomic substances within the lease area.

- (1) A license authorizes the holder of the license, a person authorized by the holder of the license, and a person acting under a contract of service, or a contract for services, with the holder of the license:

- a. to explore, in accordance with the conditions of the license, in the area of land specified in the license for minerals, or minerals within the category of minerals, specified in the license; and
  - b. to enter on, and pass over, Crown land for that purpose, in accordance with the conditions of the license; and
  - c. subject to subsection (2) , to enter on, and pass over, private land, in accordance with the conditions of the license, for that purpose.
- (2) A person may only enter on, or pass over, private land by giving written notice in an approved form to the owner or occupier of the land 14 days or any shorter period the owner or occupier allows before doing so.
- (3) A person must not hinder or obstruct a licensee from carrying out any activity under the license.

#### *Royalties*

The Property is not subject to any back-in rights, payments, or other agreements and encumbrances aside from a 1.5% Net Smelter Royalty on any future production held by the previous vendors of the Property, Metal Ventures Pty Ltd. (a company controlled by a director of the Company, Samuel Garrett), Kenneth John Maiden, Halona Holdings Pty Ltd (a company controlled by an officer of the Company, Sean Westbrook) and Pepita Dorothy Maiden. The Company has an option to purchase the royalty for CAD\$3,000,000.

#### *Environmental*

Mining and exploration are not permitted in the Pieman River State Reserve which covers a 1000m wide strip along the Pieman River. The Property is located 5km southwest of the Reserve and Lake Pieman Dam.

To the extent known by the Company, there are no known environmental liabilities on the Property.

A security deposit must be lodged before a license can be granted. The quantum of the deposit is determined by the size of the area and the program to be carried out. The security deposit may be used to remedy damage to private property or to the environment caused by exploration activities if this is not made good by the explorer.

License holders must obtain written approval from MRT prior to undertaking any on-ground exploration. Work consistent with mineral exploration includes:

- Conducting geological, geophysical, geobotanical and geochemical surveys
- Drilling
- Taking samples for the purpose of chemical or other analysis
- Using appropriate instruments, equipment, and techniques
- Extracting and removing from the land material, mineral or other substances for testing

Approvals are granted provided activities are governed by MRT's "*Mineral Exploration Code of Practice.*"

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

##### *Physiography*

The Property is located on the west coast of Tasmania on a Tertiary peneplane at approximately 200m elevation. The flat peneplane is incised by several steep gorges, the largest of which is the Pieman River Gorge located 5km northeast of the Property. The northern part of the Property is remote and steeply incised by the Meredith, Whyte and Rocky Rivers and

their tributaries. The area is characterised by moderate to rugged topography covered by temperate rain forest and thick regrowth after substantial bushfires.

*Climate*

Prevailing climate is wet temperate with rainfall averaging 2-3m annually. Despite the high rainfall, the area can be accessed and explored throughout the year.

*Local Resources and Infrastructure*

All necessary supplies and hire equipment, such as drill rigs, are readily available in north-western and western Tasmania. The west coast of Tasmania has had a long history of mining and exploration dating back to the 1880s. Several drilling, contact mining and earthmoving companies experienced with the conditions are based within a few hours of the Project area. The region, although rugged, has a major road constructed by the Hydro Electric Commission in the 1980s running through it with several all-weather dirt roads accessing forestry-logging areas. The Reece Dam and power station on Lake Pieman and newly commissioned Heemskirk Wind Farm are in the vicinity with high voltage transmission lines connected to the state grid.

Access to the southern portion of the Property is via the sealed all weather dual lane Heemskirk Road. Gravel forestry and drill access tracks cover most of the Alpine Prospect. Access to the remote northern part of the Property is via the Corinna Road. Much of the northern EL has difficult 4WD access with some remote areas requiring helicopter supported exploration and cut foot tracks.

TasRails’ Emu Bay rail line is located approximately 50km to the east with rail heads at Melba Flats and Boco allowing rail access to ports at Burnie and Devonport.

**History**

The following description of historic exploration activity in the Property area is largely taken from historic exploration reports located on MRT’s digital database.

A summary of historic exploration carried out on the Alpine Deposit, the primary focus for the Company is given in Table 6-1. Historic regional exploration on the northern part of the Property is summarised in Table 6-2.

**TABLE 6-1. Summary of historical exploration activity, Alpine Prospect**

Company or Organisation	Period	Description of Work Completed
<b>CRA Exploration</b>	1983 - 1985	Aeromagnetic survey followed by 8 lines of gridding with soil geochemistry, ground magnetics and ground EM survey. Two diamond drillholes (AP001 and AP002) intersecting magnetite-chalcopyrite-pyrite mineralization.
<b>Outokumpu</b>	1989 - 1993	Gridding, soil geochemistry, telluro-EM, stream sediment sampling and mapping.
<b>Titan-Goldstream</b>	1994 - 2002	Limited soil geochemistry and mapping.
<b>Stellar Resources</b>	2003 - 2017	Nineteen diamond holes on or near Alpine Prospect
<b>Georgina Resources</b>	2018 - present	Literature and drill core review, data compilation and metallurgical sampling.

**TABLE 6-2. Summary of historical exploration activity, Regional EL2/2018**

Company or Organisation	Period	Description of Work Completed
<b>Rio Tinto Zinc</b>	Pre 1961	Aeromagnetic survey followed by ground reconnaissance and diamond drilling of magnetite-pyrite mineralization at Rocky River Iron deposit. Two diamond holes (RR1 and RR2) completed.

Company or Organisation	Period	Description of Work Completed
IMI/Savage Resources	1961 - 1988	Gridding, rock chip sampling and mapping of magnetite-pyrite lenses in Bowry Formation. Most drilling on current EL was at Rocky River and Whyte River Iron prospect.
Aberfoyle Resources	1989 - 1990	Limited stream sediment (23 samples) and rock chip (34 samples) geochemistry.
Outokumpu	1989 - 1993	Gridding, soil geochemistry, telluro-EM, stream sediment sampling and mapping.
Fodina	1993	Geological reconnaissance sections between Whyte River and Pieman River
Goldstream/Titan JV	1994 - 2002	Stream sediment sampling between Browns Plain and Pieman River identified gold anomalies at Lucy Spur and Rocky River. 3 DDH at Lucy Spur and 3 DDH at Rocky River identified low order Au-magnetite mineralization.
Bass Metals	2003 - 2012	Literature review, rock chip sampling. 3 DDH drilled at Doctors Creek.

Following the discovery of the Mt Bischoff tin deposit by Philosopher Smith in 1871, mining and prospecting extended southwards through western Tasmania. The Corinna district was originally mined for placer gold and tin deposits in the 1880s. Intense prospecting and mining followed, particularly in the Zeehan-Dundas area, after the discovery of Ag-Pb-Zn fissure vein sulphide mineralization in 1886. Historical interest in gold, tin, and iron ore is recorded from within the area covered by the Property (Twelvetrees, 1900). Hard rock mining was small scale and limited with difficult access. The largest workings were at the Rocky River mine, where at least three magnetite lodes were prospected. Minor exploratory adits are located on the Lucy Spur gold prospect. Numerous minor exploratory adits, pits and costeans were developed in the magnetite-sulphide lodes of the Bowry Formation.

Modern exploration commenced in the 1960s with district scale airborne reconnaissance (Atkinson, 1960). International Mining Industries (IMI) pegged EL4/1961 covering much of the Bowry Formation with exploration focused on iron ore (magnetite). Pickands Mather International developed the Savage River Iron Ore mine, processing plant, slurry pipeline and Port Latta pellet plant in 1967. CRAE pegged the extensive Rocky Cape Exploration License in 1977 (EL1/77), completing extensive aeromagnetic and airborne EM surveys of the district.

#### *Detailed prospect history*

Historic exploration activity and results from the main prospects are described in further detail below. The Alpine Prospect is the most developed on the Property with twenty-two diamond drill holes intersecting significant magnetite-hematite-pyrite-chalcopyrite mineralization. Prospect locations are displayed in Figure 6-1.

The less accessible northern section of the Property has seen limited modern exploration, primarily greenfields stream, soil and rock chip geochemistry supported by airborne geophysical surveys. Principal prospects on the Property include alluvial gold at Brown Plains, Loudens Creek, Paradise River, Rocky River, and the Whyte River. Low-grade lode gold mineralization has been identified in adit sampling and drilling at the Lucy Spur and Rocky River prospects by Goldstream and IMI (Turner, 1997). Several iron oxide-copper-gold prospects including the Doctors Creek, Whyte River and Rocky River prospects have seen some limited exploration (Turner, 1997).

#### The Alpine Prospect

An aeromagnetic anomaly associated with the Alpine Prospect was identified in 1981 by government sponsored airborne magnetic surveys. The anomaly was investigated by a Geopeko/CRAE Joint Venture ("JV") in the years 1983 to 1985 (Caithness, 1985). The JV used three principal models for exploration; Tennant Creek-style ironstone hosted Cu-Au deposits, Sn-W skarns, and sediment-hosted base metal deposits associated with the Proterozoic Keith Schist.

Following the district scale airborne geophysics, the CRAE/Geopeko JV established a small (8 line) geochemical grid over the anomaly, completing soil sampling, ground EM and ground magnetic surveys. Two diamond drill holes (AP001 and AP002) targeted on coincident geochemistry-geophysical anomalies intersected bands of chalcopyrite-bornite-magnetite-

pyrite mineralization. CRAE concluded that the anomaly had been tested and that it did not meet CRAE requirements (Caithness, 1985). The exploration license was relinquished in 1986.

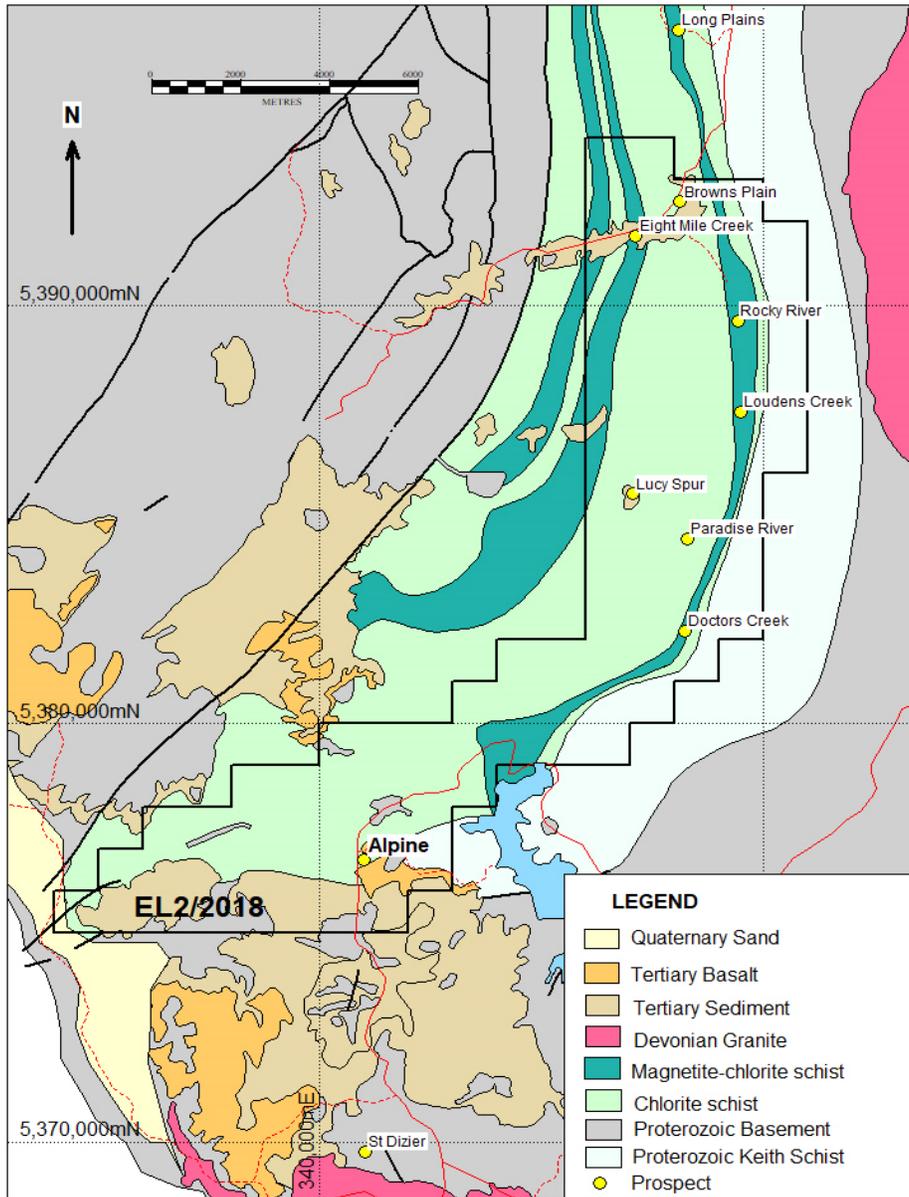
Outokumpu acquired the Alpine Prospect within its large EL56/1989 which covered much of the southern AML. Work completed in 1991 included re-cutting the CRAE grid, additional soil geochemistry, ground magnetics, telluro-electromagnetic surveys, and geological mapping (Herrmann, 1991). The exploration license was later managed by Fodina Minerals Pty Ltd who completed regional stream sediment sampling with little direct work on the Alpine Prospect (Poltock, 1993).

Goldstream-Titan Pty Ltd acquired EL43/1994 covering the Corinna area of the southern AML. Most of their work was focused north of the Pieman River on the Lefroy Ridge, Lucy Spur and Rocky River areas. Limited infill and extension soil geochemistry and mapping of the Alpine Prospect was completed in 2000 (Newnham, 2000).

Stellar Resources acquired the extensive EL46/2003 covering the northern Heemskirk area and AML south of the Pieman River. Stellar completed extensive exploration drilling (20 holes for 3719.1m) of the Alpine Prospect, concentrating on the ground magnetic anomaly identified by CRAE. Diamond drill holes AP003 to AP021, many of which intersected significant mineralization, were drilled between 2006 and 2008 (Rigg, 2006, Hazeldene, 2007, Hazeldene, 2008). Stellar relinquished the northern part of the tenement area in 2017, concentrating on their tin prospects around the Heemskirk granite in the southern part of their EL.

**FIGURE 6-1. Prospect locations and MRT 250K geology**

(MRT open file data)



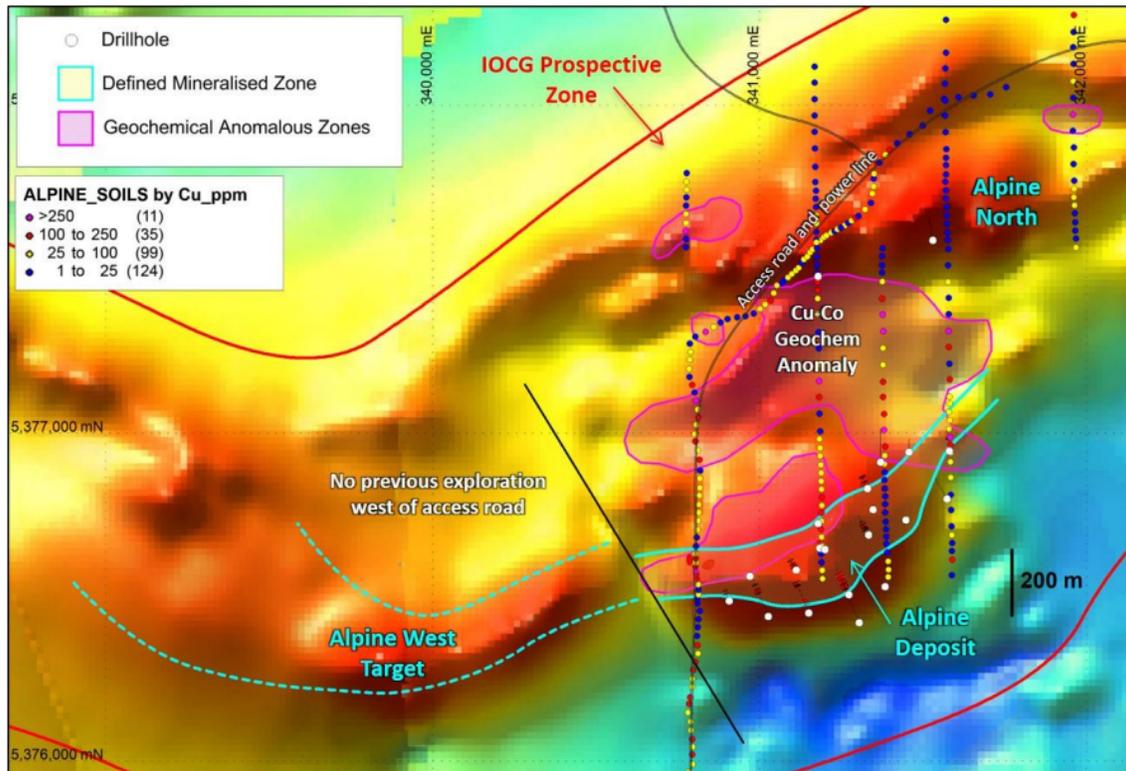
A list of drill intercepts above a 0.3% Cu cut off and hole details are in Table 6-1. Drill hole locations are displayed with simplified geology in Figure 6-3.

#### Alpine Prospect Soil Sampling

CRAE (Caithness, 1985) took 260 B/C horizon soil samples over the Alpine Prospect on 200m spaced lines on N-S orientations over an area of approximately 1.4km x 1km (Figure 6-2). A strong Cu-Co anomaly over the Alpine prospect was identified, coincident with strong aeromagnetic and ground magnetic anomalies. The survey results included maximum soil values of 710ppm Cu and 420ppm Co. Tertiary basalt and Quaternary sediments in the east of the prospect potentially mask soil anomalies where they trend below the cover sequences. The strongest Cu-Co anomaly is located north of the Alpine Prospect.

**FIGURE 6-2. Alpine Prospect soil geochemistry, DDH collars and aeromagnetic TMI image**

(Westbrook, 2019)



**Alpine Prospect Aeromagnetic Survey**

Several fixed wing and helimagnetic surveys have been flown over the entire AML with the first surveys in the early 1960s. Strong magnetic lineaments were observed associated with the Bowry and Lucy Formations. Prominent magnetic highs are associated with the Alpine magnetite-pyrite-chalcopyrite mineralization (Figure 6-2).

**Alpine Prospect Ground EM and Magnetic Survey:**

CRAE completed ground magnetic and EM surveys over the Alpine grid (Caithness, 1985). The magnetic survey was most successful in defining magnetic highs coincident with the mineralization.

**Alpine Prospect Diamond Drilling**

CRAE drilled 2 diamond holes in 1985 with Stellar Resources completing a further 21 holes in 2006 and 2007 for a total of 23 diamond holes (3,991.6m). Most holes intersected significant magnetite-hematite-pyrite-chalcopyrite mineralization hosted in steeply dipping mafic magnetite-chlorite schists of the Bowry Formation. Mineralization was best developed close to the Bowry Formation-Keith Schist contact.

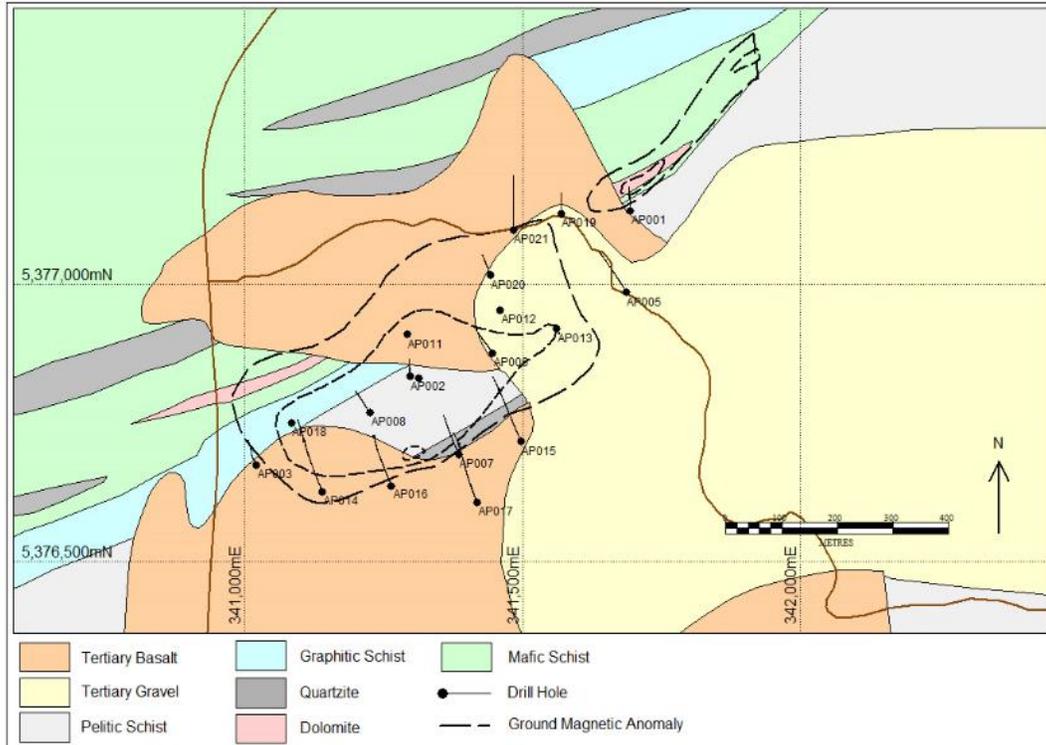
**TABLE 6-3. Alpine Prospect Significant Drill Intercepts.**

BHID	North	East	RL	Depth	Dip	Azimuth	From	To	Length	Cu%
AP001	341694	5377131	187	106.7	-65	357	84.2	94.75	10.55	0.26
AP002	341297	5376834	182	85.8	-68	357	45	71.4	26.4	0.52
AP003	341020	5376674	170	149.3	-75	339	93	94.61	1.61	0.52
							124.6	126.6	2	0.50

BHID	North	East	RL	Depth	Dip	Azimuth	From	To	Length	Cu%
AP004	341313	5376830	179	152.8	-87	160	58.7	86.8	28.1	1.03
							111.55	152.8	41.25	0.30
AP005	341687	5376985	196	170	-65	330			0	
AP006	341446	5376875	190	155.6	-65.6	331	42	91	49	0.39
AP007	341386	5376693	185	173.5	-60.6	334	62.7	142.7	80	0.53
AP008A	341225	5376768	176	139	-70.8	328	29.8	70.8	41	0.48
AP009	341292	5377664	189	140.1	-65.9	348			0	
AP010	341643	5377774	188	149.7	-60	350			0	
AP011	341292	5376909	189	178.1	-90	360	28.9	54	25.1	0.48
							59	80	21	0.31
AP012A	341460	5376952	193	269.5	-90	360	77	108	31	0.42
							212	215	3	0.50
AP013	341561	5376920	196	353	-90	360	204.6	230.8	26.2	0.25
							257	304	47	0.37
AP014	341140	5376626	176	284.1	-60	337	157.3	181.15	23.85	0.60
							206	212	6	0.20
AP015	341497	5376717	190	272.3	-60	337			0	
AP016	341264	5376637	174	205	-60	337	73	88	15	0.65
							164	203	39	0.33
AP017	341418	5376607	191	272.4	-60	337	225	246.65	21.65	0.55
AP018	341084	5376749	174	82	-90	360			0	
AP019	341570	5377127	188	62	-50	360			0	
AP020	341443	5377016	195	163	-75	337	146	152.5	6.5	0.36
AP021	341483	5377097	193	200	-60	360			0	

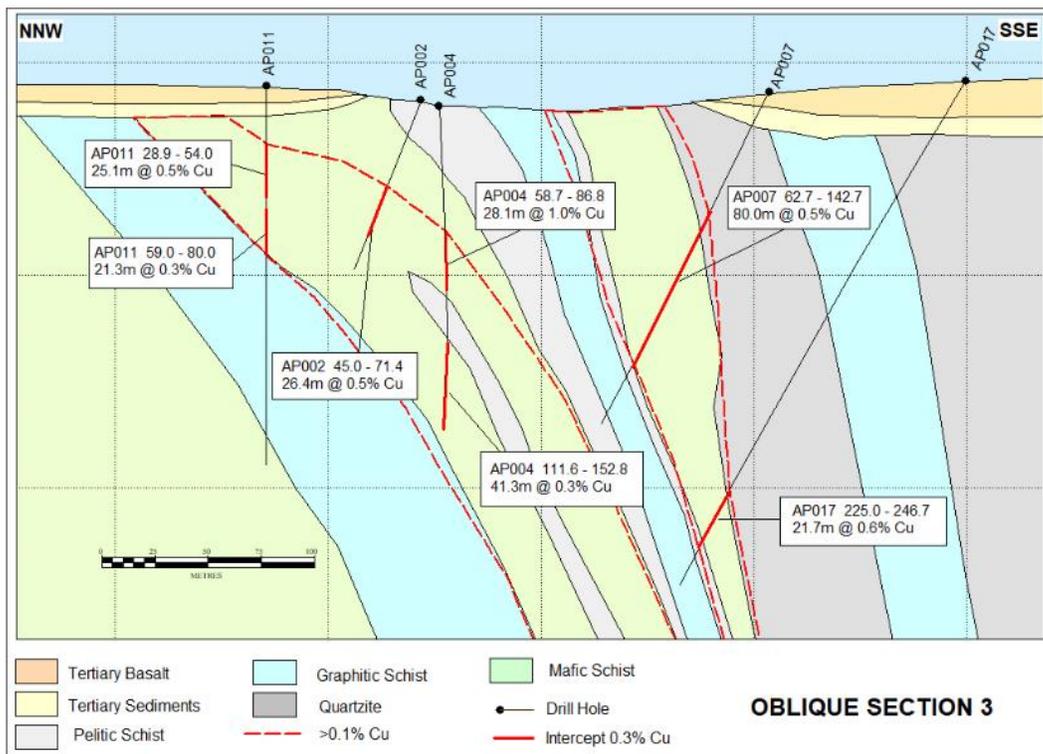
**FIGURE 6-3. Alpine Prospect geology, DDH collars and ground magnetic anomaly**

(Callaghan, 2019)



**FIGURE 6-4. Alpine Prospect Oblique Drill Section with Historic Drilling**

(Callaghan, 2019)



## Rocky River Area

The iron ore bodies in the Whyte River area have long been recognized, and government geologist Reid (1924) identified and described many of the massive magnetite-hematite bodies in the Whyte River area, including “a body of iron ore 300 feet in width... exposed to a depth of 100 feet” in the Doctors Creek - Duffer Creek area. The Rocky River Fe-Cu-Au prospect was discovered in the early phase of prospecting in the late 1800s by the Rocky River Mining Company. Four historic adits delineated three magnetite lodes – Nos. 1 and 2 and the Sawpit or Western Lode. Mining was focused on gold and copper with limited success. Most gold was derived from alluvial sources.

The iron ore potential of the Bowry Formation was assessed by IMI – Savage Resources on historic EL4/1961. Pickands Mather International opened the Savage River magnetite mine in 1967 and subsequent exploration identified magnetite lodes at Long Plains, Whyte River, Rocky River and Owen Meredith Magnetite (Annette and Shannon, 1987). Exploration conducted by IMI / Savage Resources consisted of regional and prospect scale stream sediment geochemistry, gridding, magnetic surveys, soil and rock chip geochemistry with two drillholes completed by the Tasmanian Mines Department at the Rocky River Iron deposit in 1966 (Shannon et al 1985).

Modern-day prospecting in the Rocky River area has returned only scattered low-level gold and copper results (Turner, 1997). Goldstream Resources completed adit sampling and regional stream sediment sampling surveys followed by three diamond holes on the historic Rocky River magnetite mineralization (Turner, 1997).

### Aeromagnetic Survey

Comprehensive regional aeromagnetic surveys have been completed by the Tasmanian Mines Department and private companies between 1961 and the last helimagnetic survey completed by MRT in 2002. The Bowry and Lucy Formations form prominent magnetic lineaments associated with magnetite bearing schists.

### Stream Sediments

Goldstream completed comprehensive panned concentrate and #80 mesh stream sediment sampling around the Rocky and White River historic gold mining areas. Numerous high-grade drainage anomalies were detected in the vicinity (Figure 6-5).

### Soil Sampling

Goldstream collected 175 B/C horizon soil samples in the immediate vicinity of the historic Rocky River adits. Samples were taken along 6 approximately east-west oriented grid lines over an area of 1.5km. Samples were assayed for Ag, Au and Cu with maximums of 83.6ppb Au and 36ppm Cu. Despite considerable gold recorded from panned concentrate sampling, gridded soil sampling failed to identify any consistent gold or copper anomalies (Figure 6-6).

### Rock Chip Sampling

Twelvetrees (1900) reports five samples from a nickel sulphide lode associated with the Rocky River No 2 Lode assayed from 26.4% to 51.75% Ni, with cobalt from 2% to 10% Co, gold from around 0.5 to 2 oz/t, and antimony at 2% Sb. Gold is reported in other parts of the No. 2 Lode, including an association with specular hematite and pyritic quartz grading 8 to 32 g/t Au. At the Sawpit lode, gold was reportedly associated with mineralized graphitic schists and assayed up to 26 g/t Au in specimens. Both the Rocky River No.1 Lode and the Sawpit Lode were reportedly traceable 100m south to the Associated Rocky River workings. An assay of a specimen of the cupriferous magnetite ore from the Rocky River mine taken by a government geologist (Twelvetrees, 1900) returned 0.1% Cu with 15.2 g/t Ag and trace gold, while a “bulk sample” prepared by the mine manager assayed 5% Cu with 4.7 g/t Au. Numerous other small workings on copper-gold bearing zones are scattered throughout the Rocky River prospect area.

Modern exploration rock chip sampling conducted by Goldstream involved 41 rock chip samples from outcrop and adits in the Rocky River area. Samples were systematically assayed for Cu and Au with maximum values of 0.27ppm Au and 450ppm Cu. These results are significantly lower than the historically reported samples. Channel sampling by Bass Metals at Rocky River returned up to 6m at 65.6% Fe with grab samples assaying 63.0% Fe, 66.3% Fe, and 69.6% Fe (Richardson, 2014).

Diamond Drilling

Goldstream drilled three diamond drill holes in the vicinity of the Rocky River audits. Drillholes intersected mafic schists with thin zones (generally <10m) of banded magnetite-pyrite. Assay results returned low level Au of generally <0.1g/t and a peak value of 0.5g/t and Cu generally <0.1% Cu with a peak of value of 0.45% Cu (Turner, 1997). Drillhole RRDDH1 was terminated in a semi-massive magnetite-pyrite mineralization zone at least 27m wide from 322.5m to EOH (349.5m) with no Cu or Au.

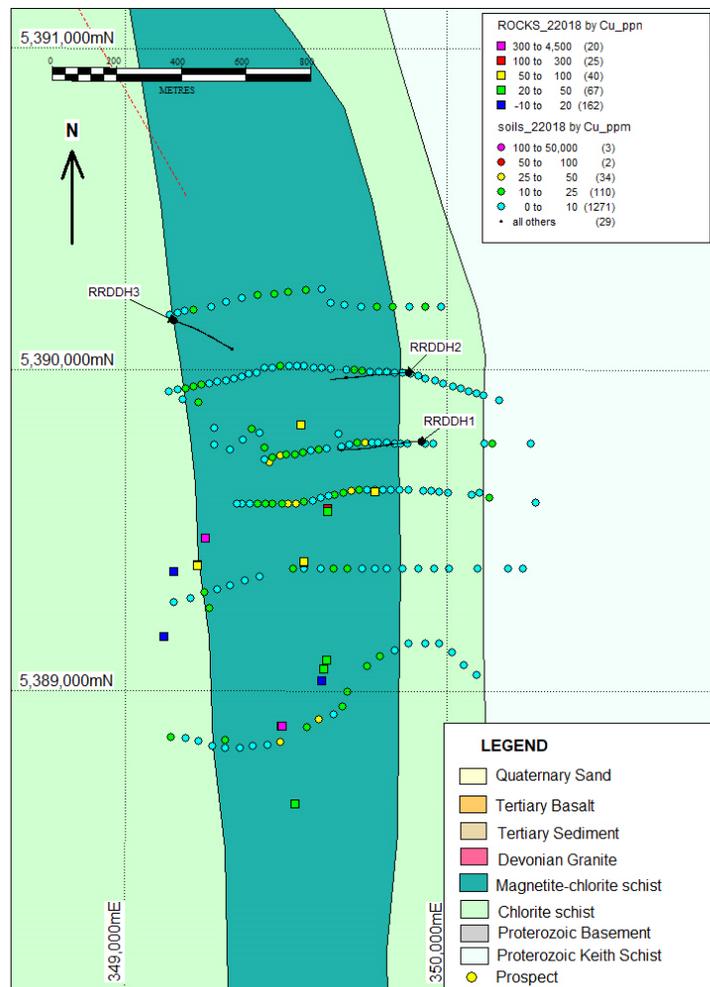
Bass Metals briefly investigated the iron ore potential of the prospect, re-assaying the Goldstream drill core for Fe (Richardson, 2014). Drill core assaying included a best result of 5.6m @ 44.1% Fe and 0.2% V from 75.4m in RRDDH3.

**TABLE 6-4. Rocky River Prospect Significant Drill Intercepts**

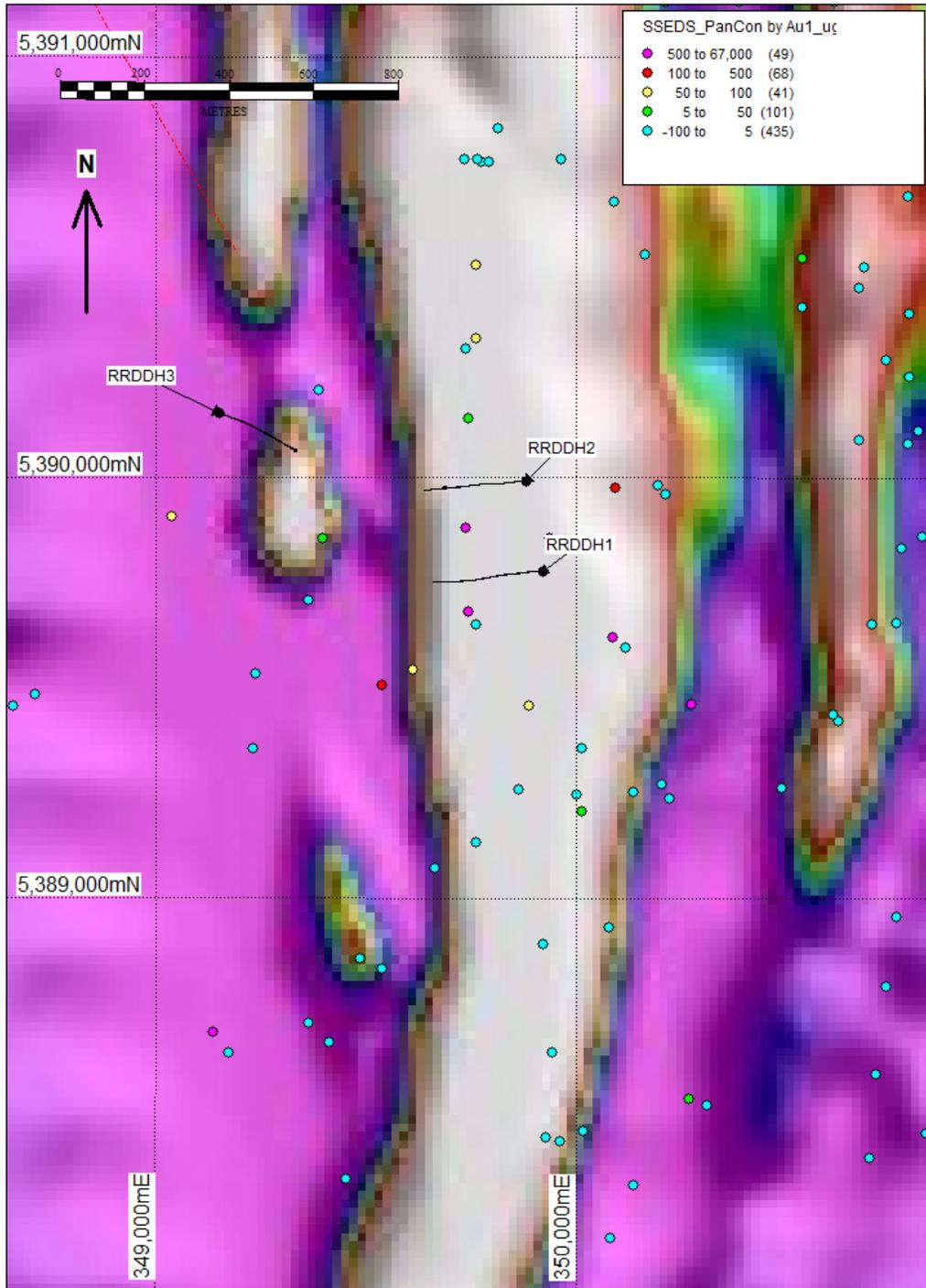
BHID	North	East	RL	Depth	Azm	Dip	From	To	Length	Cu%	Au g/t
RRDDH1	349921.6	5389777.8	200	349.5m	-45	270	155.0	155.5	0.5m	0.45	0.25
RRDDH2	349881.6	5389992.8	200	349.5m	-45	270	167.0	167.5	0.5m		0.5
RRDDH3	349151.6	5390152.8	200	286.8m	-45	112					

**FIGURE 6-5. Rocky River Geology, drillholes, soil samples and rock chip locations**

(Mineral Resources Tasmania open file data)



**FIGURE 6-6. Rocky River 1vd TMI, drill holes and Panned Concentrate stream sediment locations**  
(Mineral Resources Tasmania open file data)



Lucy Spur Area

The Lucy Spur area was mined historically for alluvial gold and very minor hard rock gold. Historic underground mine workings consist of three adit levels intersecting a greisenised Proterozoic porphyritic granite intruding chloritic schists. Mine development from the late 1800s appears to have been focused on the brecciated contact between the porphyry and mafic schist. Alluvial mining of Tertiary deep leads and recent streams occurred in the same era (Twelvetrees, 1900).

IMI/Savage Resources completed soil, rock chip, adit and stream sediment sampling on EL4/1961 (Shannon et al, 1987). Further gridding, soil sampling and stream sediment sampling was completed by Goldstream on EL43/1994 (Turner, 1997). Geochemical Au anomalies were present in the vicinity of the historic alluvial and hard rock workings.

Goldstream drilled three diamond holes in the vicinity of the Luc Spur adits, none of which intersected significant mineralization.

#### Aeromagnetic Survey

Comprehensive regional aeromagnetic surveys have been completed by the Tasmanian Mines Department and private companies since 1961 with the last helimagnetic survey in 2002. The Bowry and Lucy Formations form prominent magnetic highs with lower order magnetic anomalies probably related to Proterozoic granite intrusions at Lucy Spur (Figure 6-8).

#### Stream Sediments

Goldstream completed comprehensive panned concentrate and #80 mesh stream sediment sampling around the Lucy Spur district. Numerous high-grade drainage anomalies were detected in the vicinity of the Lucy Spur and Nancy Spur areas (Figure 6-8).

#### Soil Sampling

Goldstream collected 1164 B/C horizon soil samples in the Lucy Spur and Nancy Spur areas. Samples were taken along ridges and access roads as well as on 100m spaced east-west oriented grid lines. Samples were assayed for Ag, Au and Cu with maximums of 5.8ppm Au and 435ppm Cu although most samples were several orders of magnitude lower (Au 1-10ppb, Cu 0-10ppm). Despite considerable gold recorded from panned concentrate sampling, gridded soil sampling over the Lucy Spur adits failed to identify any consistent gold or copper anomalies (Figure 6-7). A moderate Cu-Au soil anomaly is defined over a 750m strike length at Nancy Spur.

#### Rock Chip Sampling

Goldstream took 261 rock chip samples from outcrop and adits in the Lucy Spur area. Samples were systematically assayed for Cu and Au with sporadic assaying of other elements. The majority of rock-chip sampling in the accessible adits yielded Au assays <150ppb Au with exceptions including 0.74g/t Au, 1.4g/t Au, 2.25g/t Au, and 1.85g/t Au. A single sample of clay in a fracture assayed 102.4g/t Au from a limonitic porphyry/schist breccia. Most samples were low order (<0.1ppm Au). Rock chip Cu was also generally low order over the Lucy Spur adits with higher grade Cu from chips over the Lucy Formation at Nancy Spur (maximum 1900ppm Cu).

Leach and Corbett (1998) identified a phyllic-altered porphyry breccia associated with the gold mineralization in the lower adit.

#### Diamond Drilling

Goldstream drilled three diamond drill holes in the vicinity of the Lucy Spur adits. The drillholes intersected Proterozoic pelitic schists and an altered Proterozoic quartz porphyry. Only low order Au (<0.1ppm) and Cu (<0.1%) was returned from drill core samples with most below detection limits. The drillholes did not intersect the porphyry breccia exposed in the adits.

**TABLE 6-5. Lucy Spur Prospect Drill Intercepts**

BHID	North	East	RL	Depth	Azm	Dip	From	To	Length	Cu%	Au g/t
LSDDH1	347221.6	5384783	200	200	-45	272	No significant mineralization				
LSDDH2	347221.6	5384783	200	300	-45	292	No significant mineralization				
LSDDH3	347841.6	5384898	200	301.5	-45	292	No significant mineralization				

FIGURE 6-7. Lucy Spur Area drill holes, soil and rock chip geochemistry

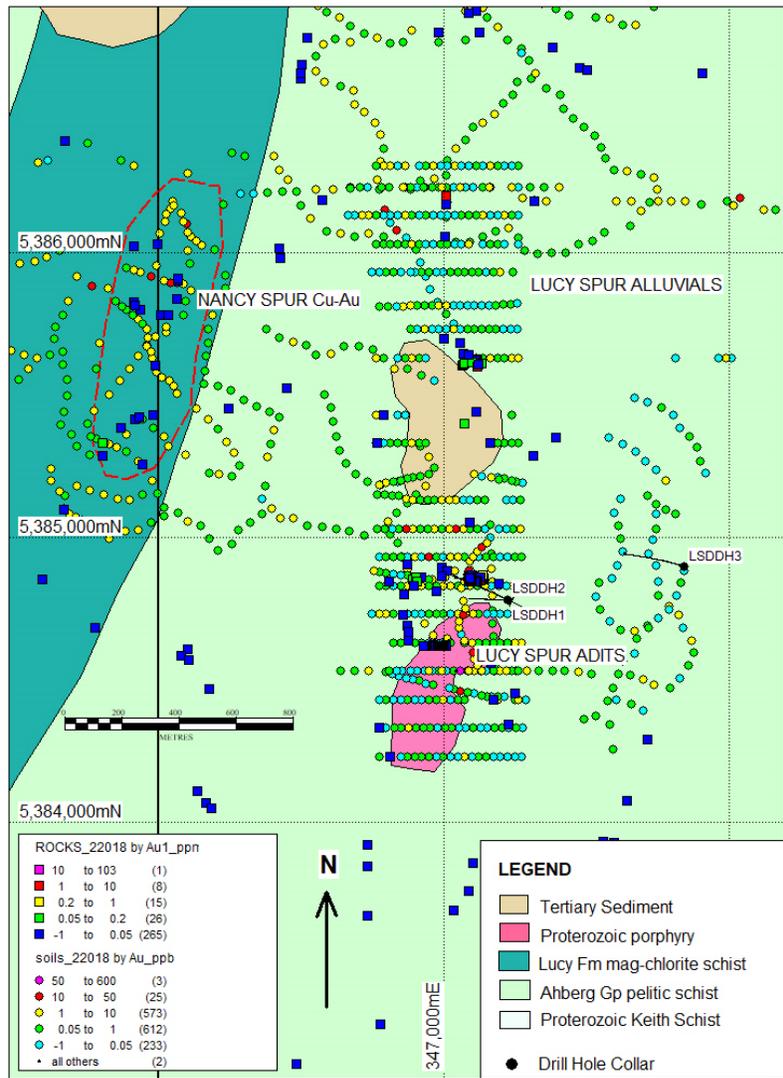
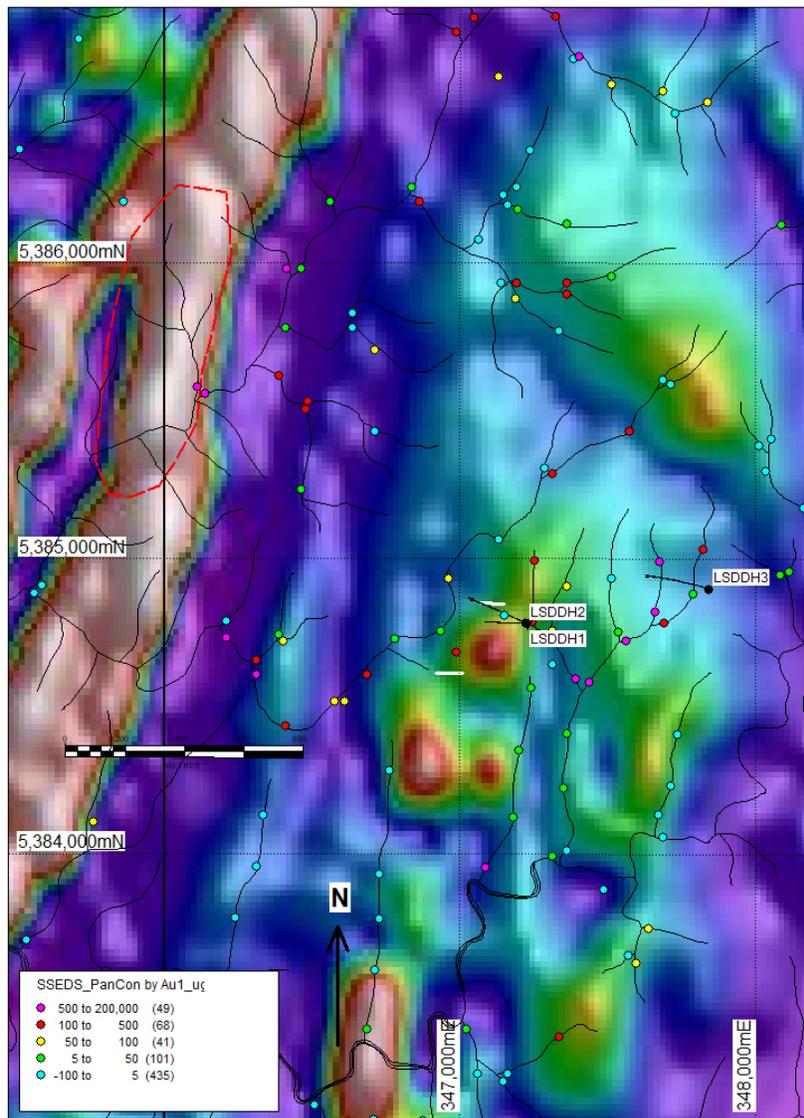


FIGURE 6-8. Lucy Spur Area 1vd TMI, drill holes, soil and stream sediment panned concentrate Au



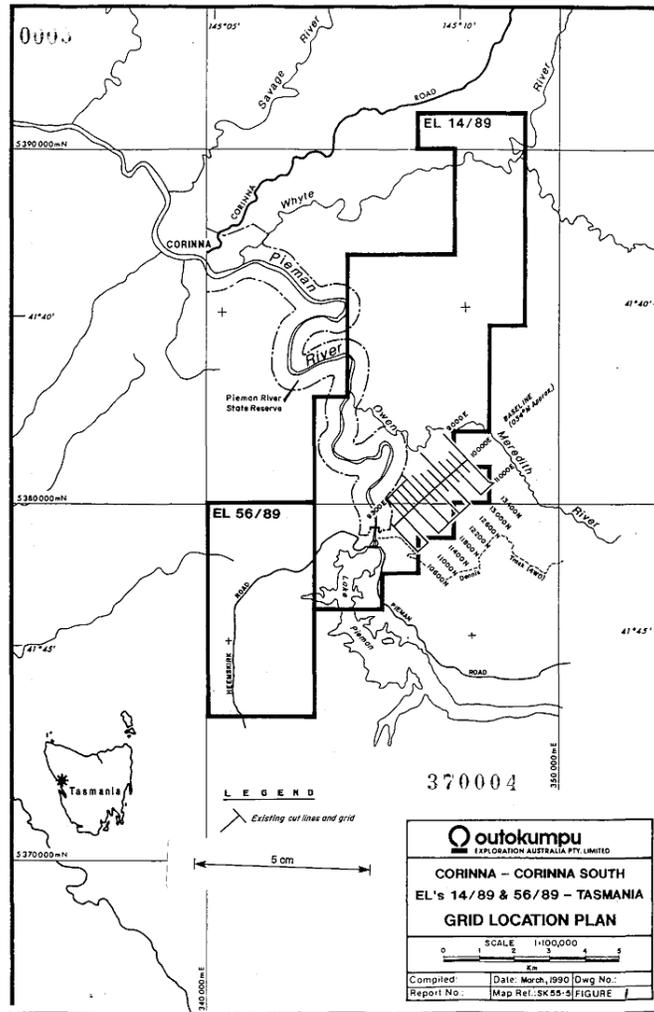
### Doctors Creek-Owen Meredith Area

Magnetite-pyrite mineralization within the Bowry Formation in the vicinity of the Owen Meredith River is a continuation to the south of the northern Rocky River magnetite lodes. The area was prospected for alluvial and hard rock gold in the same era as the Rocky River district to the north.

The Owen Meredith grid covers aeromagnetic anomalies between Alpine and the Owen Meredith River. The area was covered by the CRAE exploration license EL1/1977. CRAE completed stream sediment sampling, gridding and soils and rock chip geochemistry (Caithness, 1985).

Outokumpu acquired historic EL56/1989 covering the ironstones of the Owen-Meredith-Doctors Creek area after CRAE relinquished the EL. Early-stage reconnaissance included recutting the CRAE grid, mapping, ground magnetics and soil geochemistry. Rock chips from the ironstones on the western boundary of the Bowry Formation at Doctors Creek returned assays up to 0.50% Cu and 0.29g/t Au (Herrmann, 1991). Most soil and rock chip anomalies were single point anomalies associated with magnetite-pyrite schists of the Bowry Formation that were not followed up (Poltock, 1993).

**FIGURE 6-9. Owen Meredith historic soil and stream sediment grid**  
(Herrmann, 1991)



Venture Minerals investigated a magnetic anomaly over the Bowry Formation near the junction of the Owen-Meredith River and Doctors and Duffers Creeks during June 2009 on historic EL36/2003. This anomaly was selected because of a 1924 report by MacIntosh-Reid who described a considerable body of hematitic iron ore from this vicinity (Bates, 2010).

Mapping and rock chip sampling were conducted on a campaign basis throughout 2009 into early 2010. Three diamond holes for 393m targeting iron ore were drilled in March – April 2010 (Bates, 2010). All three holes intersected magnetite-hematite mineralization, but thickness and continuity were too poor to justify further drilling. Low grade anomalous Cu was associated with the magnetite mineralization (Table 6-6).

Data for the Doctors Creek-Owen Meredith area has yet to be collated, digitized, and assessed.

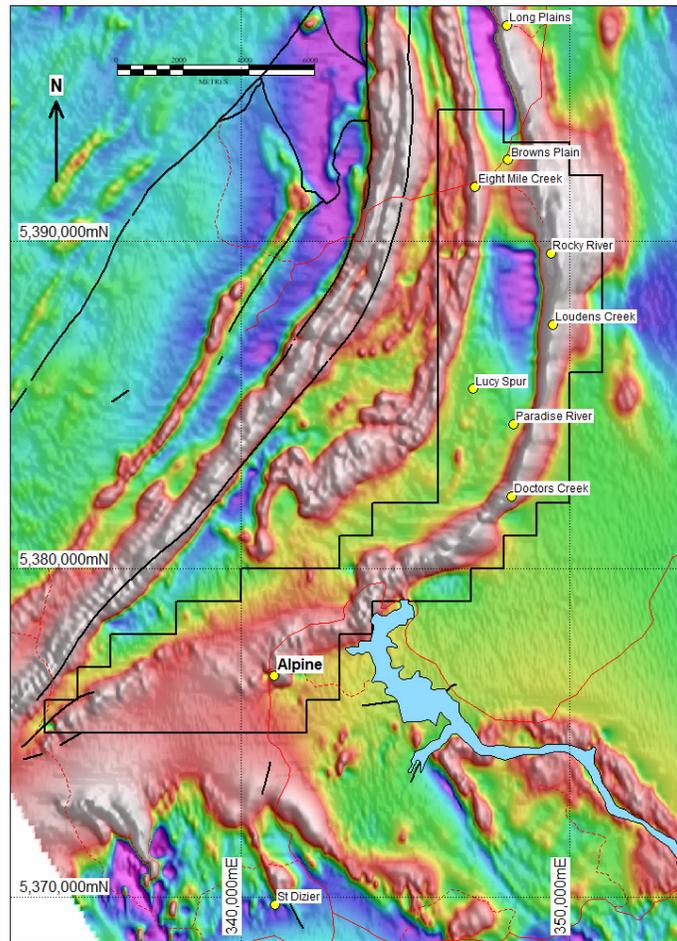
**TABLE 6-6. Doctors Creek Prospect Significant Drill Intercepts**

BHID	North	East	RL	Depth	Azm	Dip	From	To	Length	Cu%	Au g/t
DC001	347451	5381558	190	66.2m	-45	320	34.0	39.4	5.4m	0.07	na
DC002	347920	5381915	175	187.4m	-45	305	155.0	156.8	1.8m	0.16	na
DC003	347451	5381558	190	139m	-65	320	41.2	43.0	1.8m	0.10	na

## Regional Airborne Geophysical Survey

Regional airborne geophysical surveys (magnetics) were first completed by CRAE in the 1960s with follow up extensions by government sponsored surveys. The most recent survey was completed by MRT in the 2002 Western Tasmanian Regional Minerals Program. Helimagnetic and EM surveys were systematically flown on 200m spaced lines over much of the west coast of Tasmania.

**FIGURE 6-10. Regional Helimagnetic TMI Image**  
(MRT 2002)



## **Geological Setting and Mineralization**

### *Regional Geology*

North-west Tasmanian geology is separated from the geology of Western Tasmania by the 510Ma Arthur Metamorphic Lineament (AML), a major NNE trending thrust lineament (Figure 3). Regionally the AML separates the north-western Neoproterozoic Rocky Cape Group and Ahrberg Group from the low strain Oonah Formation to the southeast (Everard et al., 2007). The Lefroy Ridge Fault forms the western boundary to the lineament.

The AML is a steep dipping, NE-SW striking structural lineament of metamorphosed Cambrian mafic volcanics, carbonates and sediments of the Ahrberg Group, the Bowry Formation, and a high strain part of the Oonah Formation (Keith Schist). The lineament is associated with isoclinal folding and a strong penetrative cleavage generally striking NNE and dipping west (Turner and Bottrill, 1993). The lineament is folded to an essentially east-west strike just south of the Savage River Mine during the later Devonian Deformation event. Formation of the lineament is attributed to the Tyennan Orogeny ( $510 \pm 10$

Ma) onset by an arc-continent collision event during the Early to Middle Cambrian. Deformation involved major shearing, isoclinal folding and thrust emplacement of allochthonous units (the Bowry Formation) and subsequent intense folding and faulting leading to the present linear expression of the Arthur Lineament (Holm, 2002). Later deformation in the Devonian Tabberabberan Orogeny (370Ma) resulted in further faulting and dome and basin folding, followed by region-wide post orogenic granitoid intrusion (332-367 Ma).

Geology to the west of the lineament is complex and not completely resolved. From west to east approaching the lineament the geology comprises the quartzite and slates of the Rocky Cape Group, overlain by the Donaldson Group composed of micaceous quartzwacke and pelitic siltstone with minor chert and conglomerate near the base. The Savage Dolomite conformably overlies the Donaldson Group which is in turn overlain by the Bernafai Volcanics consisting of basaltic volcanoclastics, quartzite and phyllitic siltstone. These are overlain by the Corinna Dolomite and the Tunnel Race mafic volcanics.

East of the Lefroy Ridge Fault the geology is dominated by metasediments and amphibolites of the AML. The amphibolites occur in the Lucy (magnetic), Nancy (weakly magnetic), and Bowry (strongly magnetic) Formations. The Bowry Formation consists of chloritic, schistose mafic volcanics with interbedded dolomite and magnesite. The Bowry Formation is strongly altered with associated banded magnetite-pyrite-silica, reaching maximum intensity at the Savage River magnetite mine 20km north of EL2/2018. The western margin of the AML is dominated by the quartz-mica schist and phyllites of the Keith Schist which is gradational with the unmetamorphosed quartz-wacke turbidites of the Oonah Formation.

The lineament occupies a gravity divide between the Devonian Pieman and Meredith Granites and the Heemskirk Granite to the south. Cambrian deformation has produced steep west dipping thrust faults and a strong regional lineament visible in magnetic images.

Tertiary sediments comprise channel fill gravel, sand and clay in ridge top positions generally overlain by basalt. They have been sporadically explored for gold and tin placers with minor historic workings in the district. Gold from the sediments has redistributed into the Quaternary creeks, contaminating heavy mineral stream sediment exploration efforts.

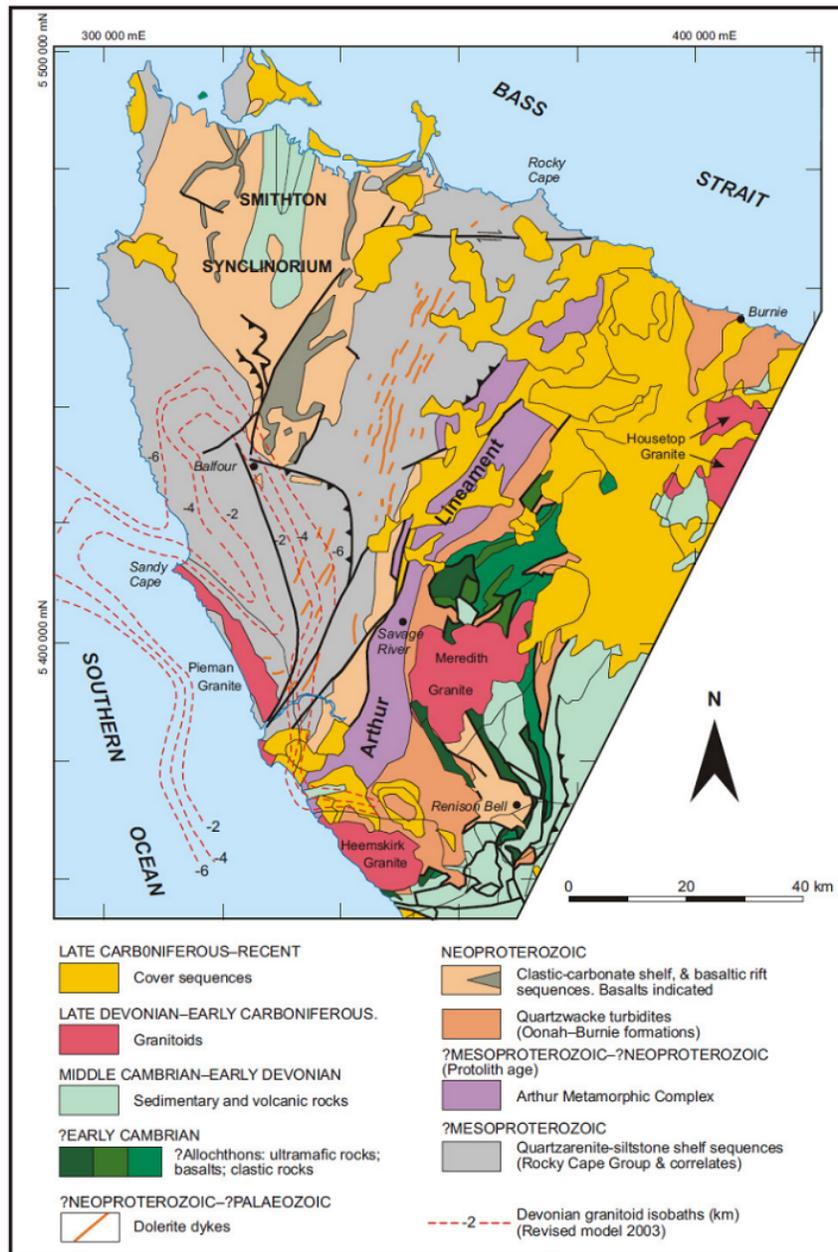
The Lucy and Bowry Formations which contain tholeiitic basalt and volcanoclastics are prospective for gold, copper, magnetite and magnesite. An important style of iron-oxide-copper-gold mineralization is hosted in the Alpine Prospect, located several kilometres south of the Pieman River. The Savage River magnetite mine consists of sub vertical lenses of massive magnetite with varying amounts of pyrite and trace chalcopyrite. Other smaller deposits of the same style are located in the Bowry Formation including the Long Plains deposit to the south of Savage River. Substantial magnesite deposits are found at the Arthur River and are associated with the Savage River deposit to the north and at Main Creek and Lyons River to the south.

Tasmania's northwest mining district has been subject to complex deformation, igneous activity, and sedimentation from the Late Proterozoic to the present (Green, 1990). Tin-tungsten mineralization and proximal magnetite and nickel skarns are associated with Devonian to Carboniferous I and S type granite intrusives (Chappell and White, 1992) that outcrop and underplate much of the northwest and northeast region of Tasmania. The intrusives post-date the Devonian Tabberabberan orogeny which resulted in a series of north to northwest trending folds and faults controlling the location of later granite related mineralization.

Silica flour within the Savage Dolomite has been the focus of exploration northeast of Corinna on the Tasmanian Advanced Minerals leases. Minor epithermal gold is reported from within the Savage Dolomite, although most of the gold from the district appears to be associated with Tertiary alluvial deposits.

**FIGURE 7-1. Regional Geology of Northwest Tasmania**

(Everard et. al., 2007)



*Property Geology*

The local geology of the Property is dominated by the deformed Proterozoic rocks of the AML. The AML consists of metamorphosed Cambrian mafic volcanics, carbonates and sediments of the Ahrberg Group in the east with the Bowry Formation and a high strain part of the Oonah Formation known as the Keith Schist to the west (Figure 7-2). The Bowry and Lucy Formations consist of magnetite-pyrite bearing mafic schists forming prominent magnetic lineaments (Figure 7.3). The Bowry Formation is host to widespread magnetite-sulphide-silicate mineralization with affinities to IOCG systems.

The lineament is associated with isoclinal folding and a strong penetrative cleavage generally striking NNE and dipping west to the north of the Pieman Dam. Subsequent deformation in the Middle Devonian as part of the Tabberabberan Orogeny (~370 Ma) has folded the AML to an essentially east-west strike in the south of the Property (Turner and Bottrill, 1993).

Tertiary sediments and later Tertiary basalt unconformably cover localized areas of the AML in the Property, particularly in the south near the Alpine Deposit.

#### *Mineralization*

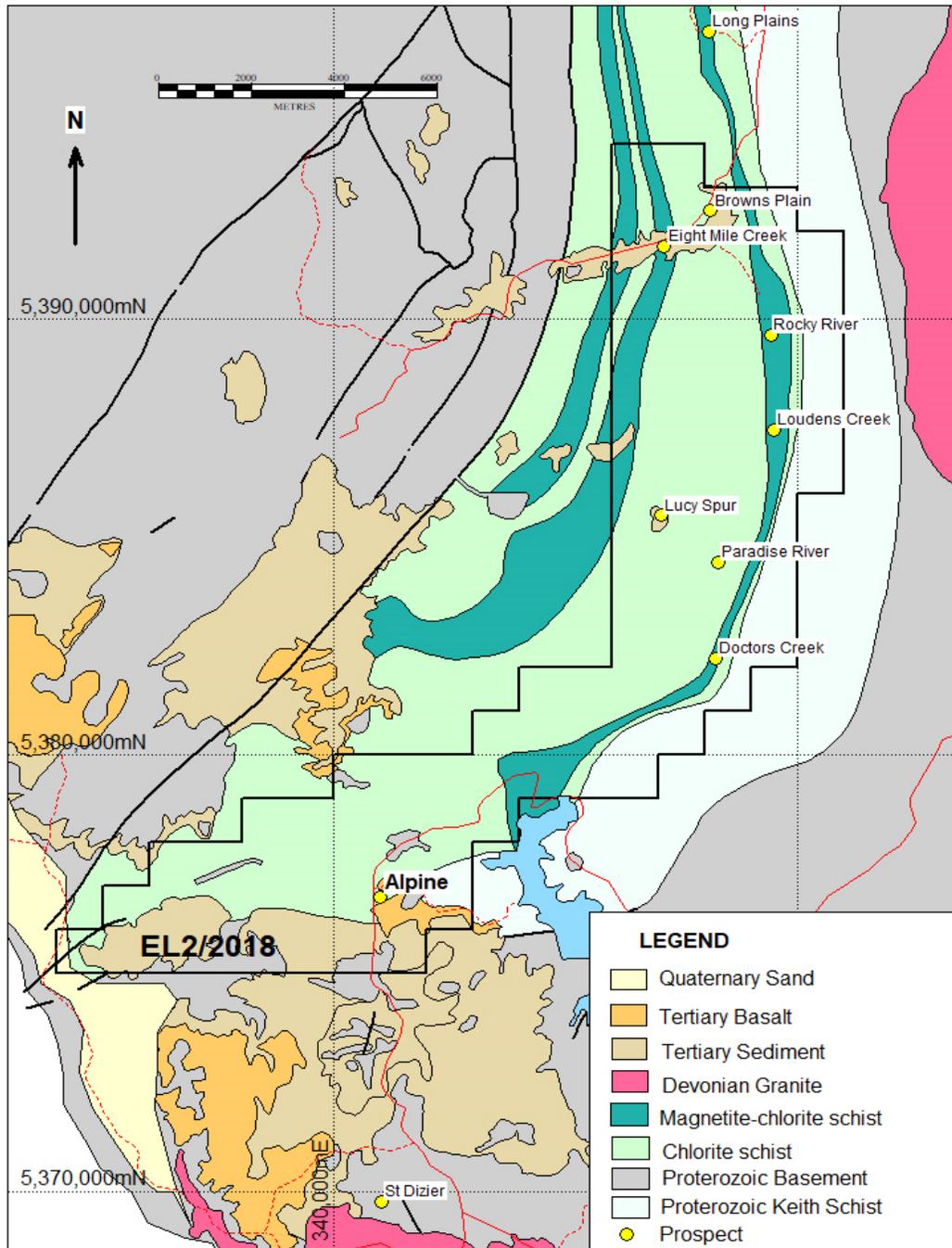
The AML is host to several commodities and styles of mineralization of potential economic interest. The Company is focused on iron oxide copper-gold (IOCG) style mineralization. Mineralization styles present on the Property include but are not limited to:

- Iron oxide copper-gold - The Alpine Prospect has been considered to be analogous to the Tennant Creek or Starra style IOCG deposits by previous workers (Caithness, 1985). Mineralization consists of banded magnetite-hematite with overprinting disseminated, stringer and massive pyrite with lesser chalcopyrite and minor bornite and chalcocite. Siderite is commonly associated with the sulphide mineralization.
- Massive Magnetite – The Bowry Formation hosts massive magnetite deposits including those being mined by Grange Resources at Savage River.
- Alluvial Gold – The Corinna district was first prospected for alluvial gold in the 1880s. The widespread alluvial gold in the Corinna district is mostly of local derivation. Some alluvial gold was sourced directly from bedrock such as at the Rocky River and Whyte River alluvial goldfields. Some sources are attributed to Tertiary streams (deep leads) with gold derived locally (Turner, 1997). Some of the basal gravels of the Tertiary alluvial deposits are relatively gold-enriched such as those at Lucy Spur, Paradise River and Nancy Spur.

#### *Prospect Geology*

The Alpine IOCG prospect is the most advanced prospect on the Property. Other less well-developed regional prospects include the Rocky River, White River and Owen-Meredith magnetite-hematite deposits, and the Lucy Spur and Rocky River lode gold deposits. Numerous other greenfield/conceptual targets associated with the magnetite-pyrite bearing Bowry and Lucy Formations remain to be tested. Prospect locations are shown in Figure 6-1 and Figure 7-2.

FIGURE 7-2. Local Geology and Property Prospects



Alpine Prospect

Outcrop of Proterozoic schists in the Alpine Prospect area is largely obscured by Tertiary basalt overlying relatively unconsolidated Tertiary sediments (Figure 7-3). The Tertiary basalt is strongly weathered in places to deep residual clay.

The MRT 1:250K geology map shows the Bowry Formation-Keith Schist contact as running through the Alpine Prospect. This is supported by drilling with many holes collared in pelitic schist with chloritic schist and magnetite schist increasing downhole. Mineralization and magnetic intensity are generally concentrated along the Bowry Formation-Keith Schist contact boundary.

Proterozoic schists strike generally east-west to west-southwest and dip moderately to steeply south to south-southeast. Drilling suggests dips may flatten through the mineralized zone, but further drilling is required to confirm this. Mineralization extends over 700m in strike length and is open to the east and west along strike. Interpretation of drill intercepts suggests mineralization occurs in parallel lenses of up to 50m in thickness. Untested magnetic anomalies along the Bowry Formation-Keith Schist contact to the west suggest mineralization may be more extensive.

Principal lithologies in drill core reflect metamorphism of their respective protoliths (Turner, 2008):

- Medium grey, muscovite quartz schist after quartzwacke-sandstone and siltstone
- Dark grey to black, graphitic phyllite after carbonaceous mudstone and siltstone
- Dark green to grey chloritic schist after mafic igneous rocks

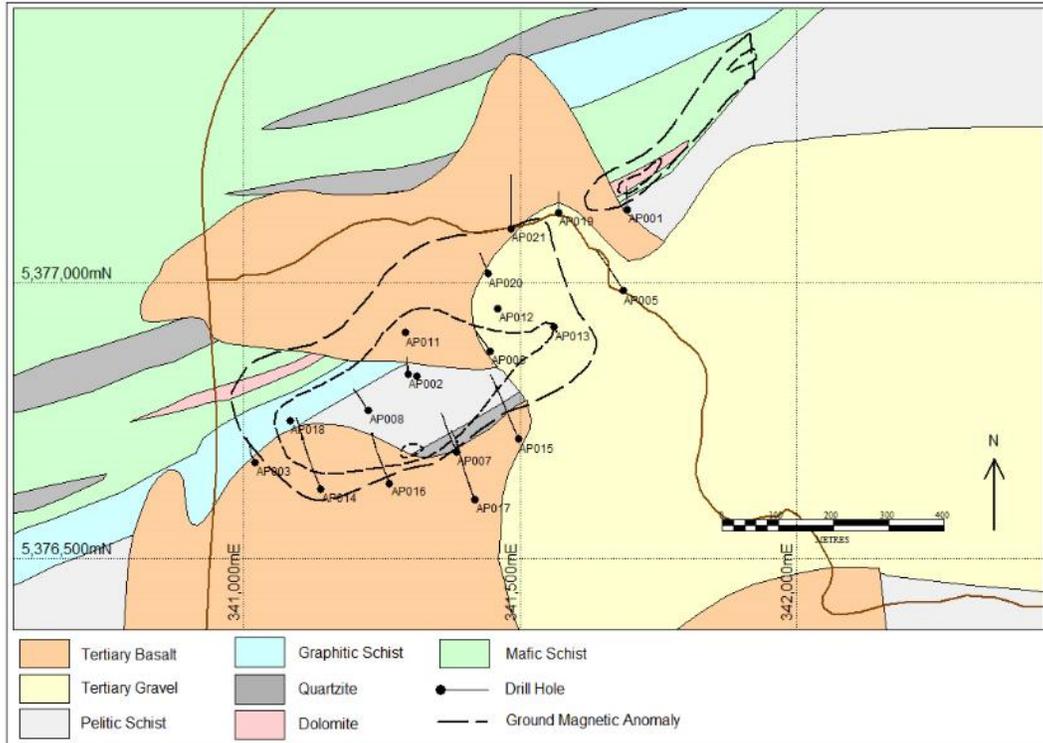
There is commonly a strong foliation with parallel thin banding due to metamorphic differentiation of chlorite, quartz, and mica. Bedding is a commonly recognizable primary feature in the metasedimentary rocks. Primary features in the dark green to grey chloritic schist intervals are restricted to uncommon relict igneous textures (Turner, 2008). Mineralization is generally thinly banded, schistose magnetite-pyrite-carbonate-silicate associated with chloritic schist. Breccia and vein pyrite-chalcopyrite-siderite mineralization extends into associated pelitic sediments.

Petrological studies have been completed by CRAE, Goldstream/Titan and Stellar. In general, Proterozoic rocks comprise highly sheared, veined, brecciated, and altered phyllites, schists, dolostones, calcareous quartzites and mylonite. Alteration consists of dolomite-siderite-chlorite. Dominant sulphides in the mineralized zones include pyrite, chalcopyrite, and magnetite with minor bornite, chalcocite and hematite (Radke, 2006; SKM, 2007).

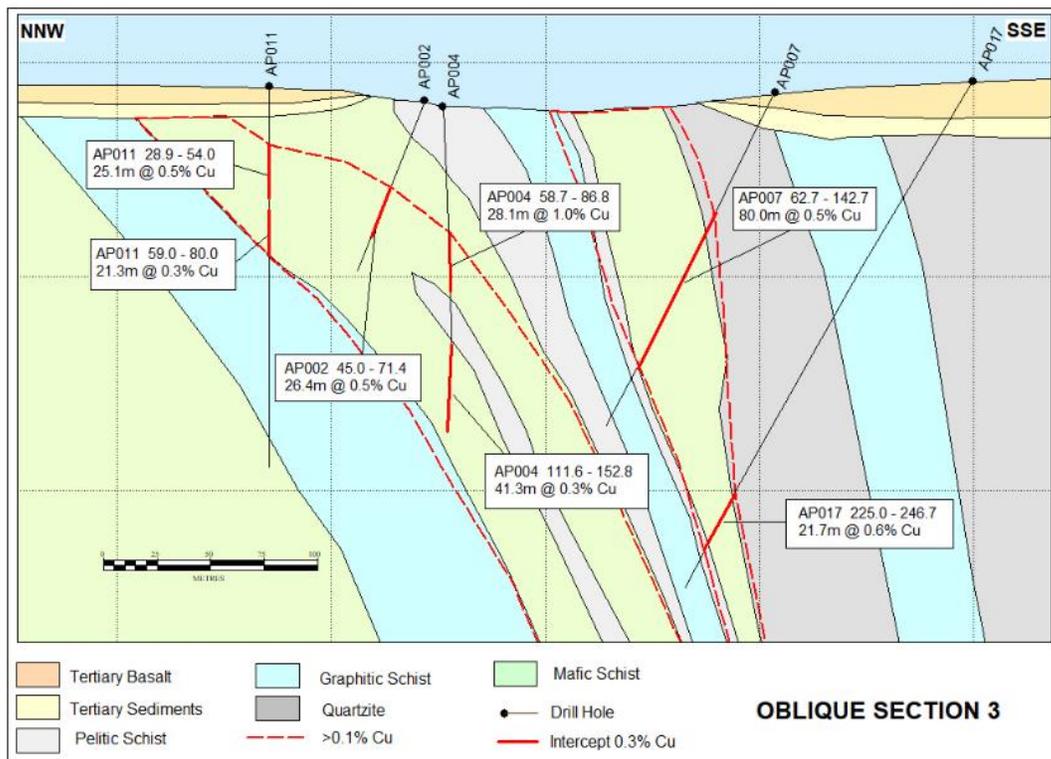
Turner (2008) observed the modes of occurrence of most copper mineralization in the Alpine Project area as being later than the Cambrian structural fabric, including chalcopyrite in late-formed carbonate-quartz breccia veinlets and in late-formed massive sulphide. The age of the foliation-parallel chalcopyrite is equivocal but is again associated with late formed carbonate. Copper sulphide mineralization associated with intervals of chlorite-magnetite schist and banded magnetite-pyrite-carbonate-silicate may indicate that the deposition of copper was influenced by host rock chemistry. However, mineralization occurs in both pelitic and mafic schist. The mineralizing system is interpreted to be of Devonian age and its location in the hinge zone of a regional fold of Devonian age implies a structural control (Turner, 2008).

Historic diamond drilling has delineated mineralization over a 700m strike length and to a depth of over 200m. Mineralization remains open along strike, down dip and possibly to the north although first vertical derivative (**1VD**) magnetic images and ground magnetics suggest the drill defined deposit may be strike limited. Untested magnetic anomalies exist further along strike in the vicinity of the deposit suggesting local extensions and/or satellite deposits are possible.

**FIGURE 7-3. Alpine Prospect Geology modified from CRAE, MRT and drill intersections**  
(Callaghan, 2019)



**FIGURE 7-4. Alpine Prospect Oblique Section**  
(Callaghan, 2019)



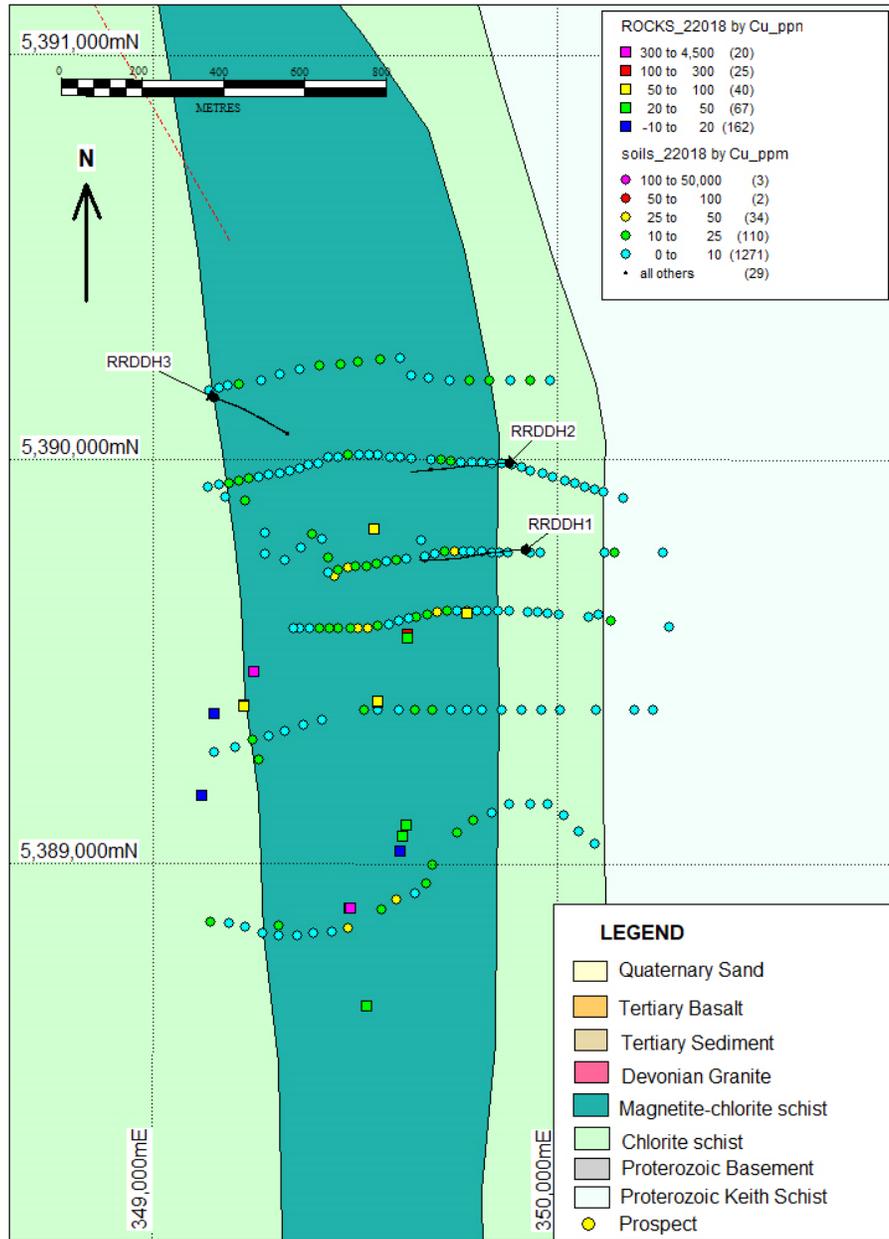
### Rocky River Prospect

The Rocky River Fe-Cu-Au Prospect was discovered in the early phase of prospecting in the late 1800s by the Rocky River Mining Company. The Rocky River locality is dominated by the magnetite-pyrite bearing Bowry Formation which strikes north-south and dips steeply west. The pelitic Keith Schist is located east of the Bowry Formation in faulted contact. All the rocks of the AML are strongly deformed with a steeply dipping penetrative foliation. Magnetite-sulphide mineralization forms as dismembered lenses within the mafic schist. Pyrite forms crystalline and massive masses within the foliation. Minor chalcopyrite mineralization is associated with quartz-pyrite-carbonate veining that overprints the deformed magnetite.

Three magnetite lodes – Nos. 1 and 2 Lode and the Sawpit or Western Lode are identified in four historic adits. The historical prospecting reports indicate that the lodes are lenticular with variable widths along their strike from tens of centimetres up to 10m wide. The lodes were tracked for about 250m along strike, and some 100m to 130m below their surface outcrops. Mineralization consisted of banded magnetite with subordinate pyrite calcite and siderite with minor chalcopyrite (Twelvetrees, 1900). The magnetite-pyrite lodes are semi continuous along strike to the north and south.

**Figure 7-5. Rocky River Geology and Geochemistry**

(Mineral Resources Tasmania open file data)



Lucy Spur Prospect

The Lucy Spur prospect is hosted by deformed unassigned Proterozoic pelitic and mafic sediments, located between the magnetite bearing mafic schists of the Lucy Spur Formation to the west and Bowry Formation to the east. The schistose rocks generally strike north south and dip steeply west although many open to isoclinal folds are present.

Gold mineralization in the Lucy Spur prospect area is described as occurring with silicic-phyllitic alteration, quartz veining and breccias associated with a felsic porphyry intrusion into a quartz-albite schist host sequence (Turner, 1998). Mapping and sampling by Goldstream at the Lucy Spur adits and alluvial workings indicate an association of Au-Sb-As-Cu in quartz-sulphide-carbonate veins and in phyllic altered intrusive breccia at the porphyry-schist contact. High-grade gold grades have been encountered locally, including up to 102.4 g/t Au from the adit workings and 17.3 g/t Au from outcrop in the alluvial workings area some 750m to the north although the majority of rock chip samples were below detection or only weakly

anomalous. Two diamond drill holes in the area of the historical adits intersected weakly anomalous gold but failed to intersect the porphyry. Discreet magnetic highs located in the vicinity of the old workings have not been intersected by drilling and may represent porphyry intrusions.

Other prospects in the vicinity include Lucy North, situated approximately 2km north of the Lucy Spur alluvial workings, where a 0.14% Cu rock chip was recorded from outcropping weathered schist immediately south of a discrete magnetic anomaly.

The Nancy Spur prospect, 1km west of Lucy Spur, is a 750m strike length coherent zone of elevated Cu-Au in soils overlying the Lucy Formation magnetic amphibolite.

#### Doctors Creek – Owen Meredith Prospect

The Doctors Creek – Duffer Creek area is located some 8-9km NE of the Alpine Prospect (Figure 7-2). Ironstone units occur on the eastern and western margins of the Bowry formation (Herrmann, 1991) and are semi continuous with the magnetite-hematite lodes in the Rocky River area to the north.

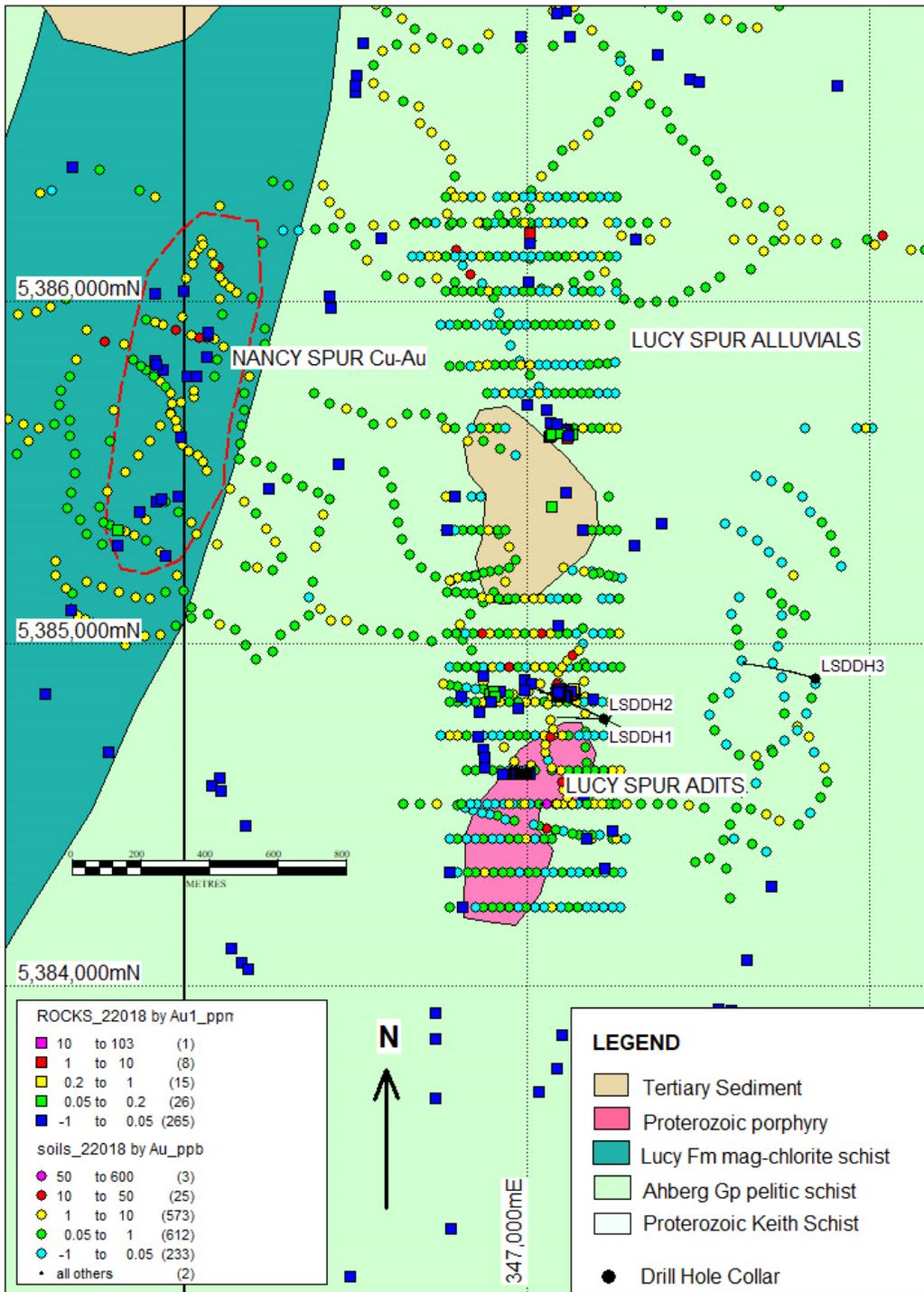
The eastern magnetic units are described as banded siliceous ironstone occurring in association with disseminated/lenticular magnetite and pyrite in mafic albite-chlorite-quartz schists over widths of around 5m (Herrmann, 1991). The ironstones contain weak chalcopyrite and gold mineralization – up to 0.5% Cu and 0.3 g/t Au in grab sampling, with a 10m “chip” sample returning 0.12% Cu and 0.05 g/t Au (Herrmann, 1991). A 4m thick pyritic quartzite unit overlying the banded ironstones was noted to be anomalous with 0.4% Cu and 0.08 g/t Au but with no associated magnetite.

The western ironstone units are reported to be substantially thicker (up to 20m) than the eastern ironstones, consisting of essentially massive magnetite with lesser pyrite. The iron content of the western ironstone is notably higher, generally in the range of 65-70% Fe, but with low Cu and Au values. During 2010-2011 Bass Resources sampled the Doctors Creek area while exploring for potential iron ore deposits (Bates, 2011). Rock samples returned significant vanadium levels ranging from 0.11% to 0.63% V associated with 60.3% to 67.1% Fe grades in the massive ironstone units. Copper was generally low but up to 0.15% Cu.

Drilling by the Bass Metals-Venture JV intersected high grade magnetite-pyrite lodes of 5m to 10m width with low level Cu mineralization (Bates, 2011).

**FIGURE 7-6. Lucy Spur Geology and Geochemistry**

(Mineral Resources Tasmania open file data)



*Deposit Types*

The main deposit type being explored for on the Property are Iron oxide copper-gold (IOCG) deposits of Tennant Creek/Starra style.

Williams et al. (2005) describe Iron oxide copper-gold (IOCG) deposits as a diverse group of mineral deposits characterized by:

- Copper with or without gold, as economic metals
- Hydrothermal ore styles and strong structural controls
- Abundant magnetite and/or hematite
- No clear spatial associations with igneous intrusions

The potential for IOCG type deposits to occur within the Arthur Metamorphic Lineament is recognized based on the widespread occurrence of magnetite-hematite with associated copper and gold mineralization. The IOCG potential is predominantly hosted within the Bowry and Lucy Formations. The Bowry Formation also hosts the Savage River magnetite mine (>371Mt @ 31.9% Fe) and Long Plains magnetite deposits which have associated pyrite-chalcopyrite mineralization.

Historic exploration has identified an advanced exploration target in the Alpine Prospect, with other greenfield/drill targets existing within the Bowry and Lucy Formations on the Property.

### **Exploration by the Company**

*EL2/2018*

The Company acquired the Property from Georgina in November 2020. Work to date has comprised field inspection, minor rock chip sampling, data compilation, gridding, and geological modelling of the Alpine Prospect.

35 km of line cutting was completed over the Alpine Prospect in February-March 2021 followed by a ground-based gravity survey.

An infill/verification drilling program of the Alpine Prospect has been designed to provide information for resource estimation. Drill tenders have been awarded and a drill rig was mobilised in April 2021.

Data compilation and assessment of other prospects north of the Pieman Dam has commenced. Historic data has delineated several early-stage exploration targets that warrant additional investigation. No additional fieldwork has been completed by the Company on the prospects in the northern part of the Property.

### Alpine Prospect Geological Modelling

In 2019, Georgina commissioned geology consultant Tim Callaghan to complete data compilation and modelling of the Alpine Prospect to assess the exploration potential.

Data was derived from open file exploration reports available on the MRT website. Data quality is not considered to be suitable for resource estimation due to poorly located drill collars (hand-held GPS) and a lack of bulk density measurements.

The model was used to quantify the mineralization and design infill and exploration drilling required for potential future resource estimation.

Solid models were created using Cu > 0.1%, 0.3% and 0.5% cut off limits allowing for geological continuity and minor internal dilution. Several continuous mineralized domains of more than 10m width were identified over a 700m strike length which remain open down dip and along strike (Figures 9-1 and 9-2). It was concluded that infill drilling to support and extend the historical drilling and technical studies including metallurgical test work were warranted to fully assess the mineralization and provide information for potential resource estimation.

FIGURE 9-1. Alpine Prospect modelled Cu domains Cu>0.3%

(Callaghan, 2019)

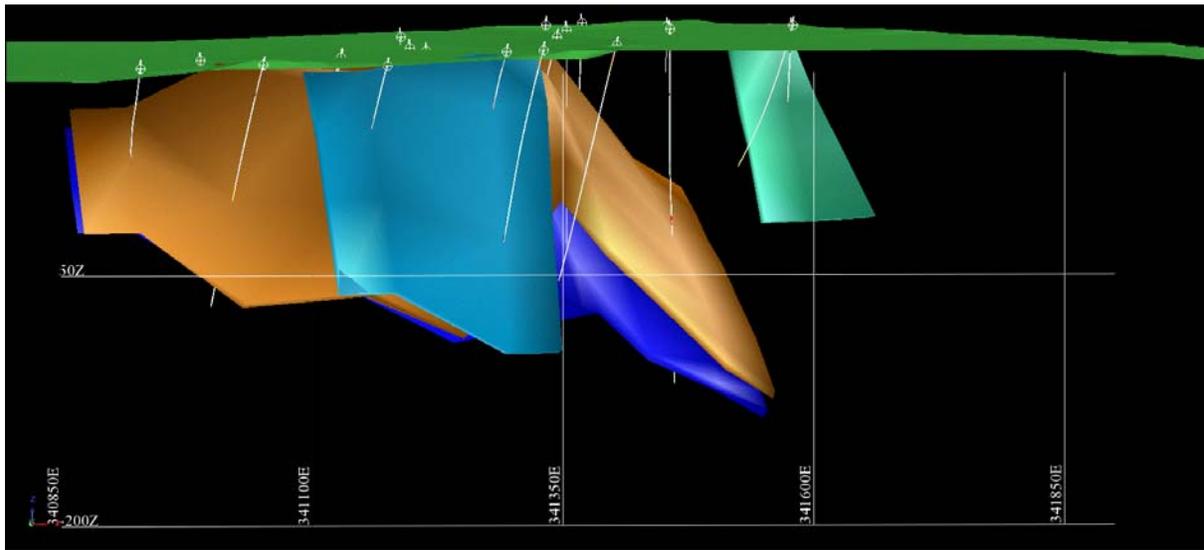
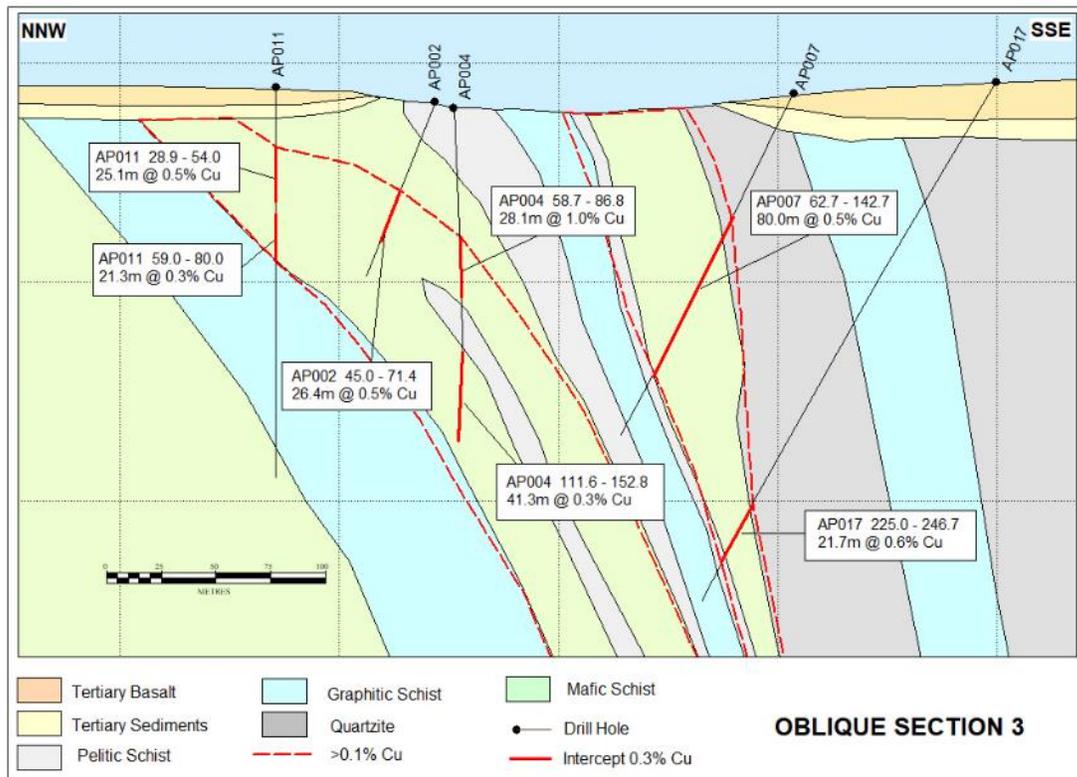


Figure 9-2. Alpine Prospect Oblique section

(Callaghan, 2019)



Alpine Prospect Outcrop Sampling

Georgina took a limited number of rock chip samples during field inspection of the Alpine Prospect in 2019. A total of six rock chip samples were taken from gossan overlying the deposit. The rock chip samples validated the Cu-Co geochemical anomaly in the oxidized rock overlying the Alpine sulphide mineralization (Table 9-1).

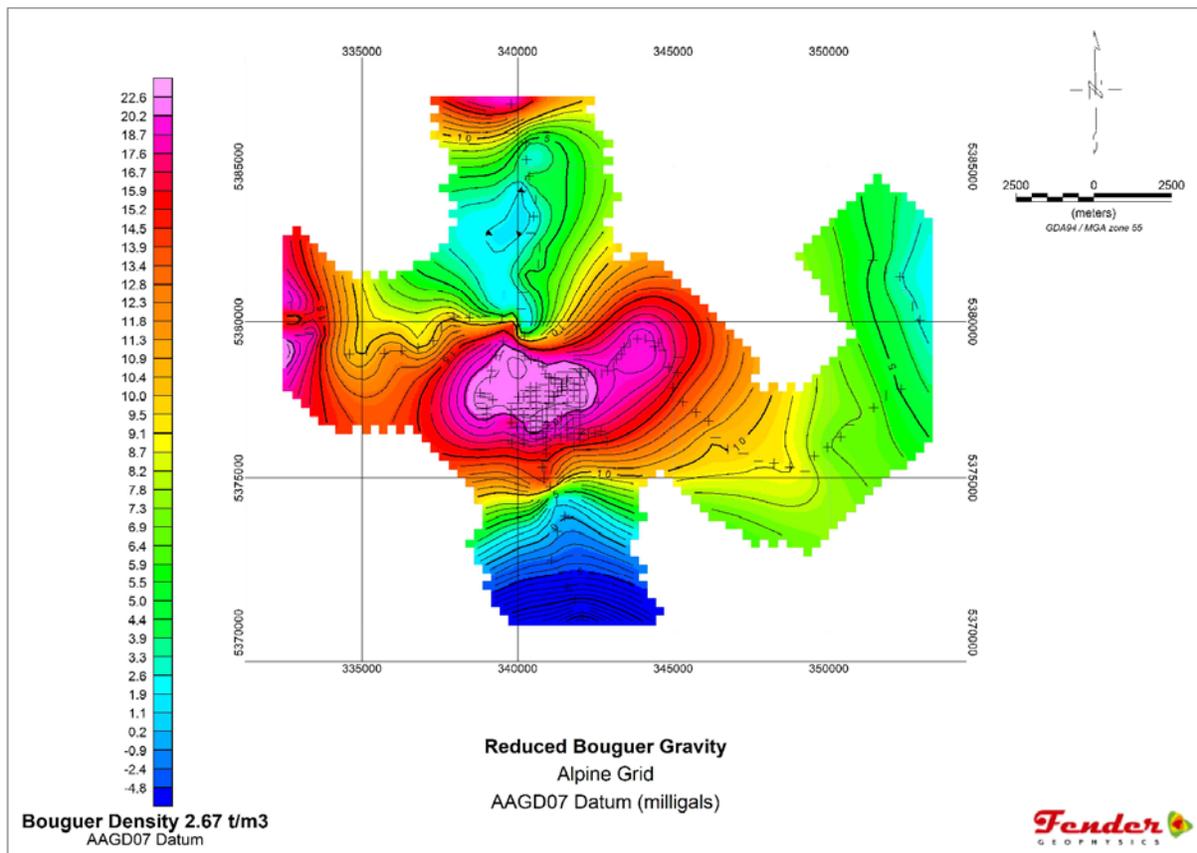
**TABLE 9-1. Outcrop Rock Chip Sampling 2019**

Sample Id	Easting	Northing	Cu %	Co ppm
105962	341020	5376788	0.00	42
105963	341027	5376807	0.00	41
105964	340958	5376794	0.22	55
405965	340872	5376787	0.09	37
105966	340899	5376799	0.19	72
105967	340964	5376780	0.16	151

Alpine Prospect Gravity Survey

The Company completed 35 km of line cutting over the Alpine Prospect in February-March 2021, followed by a ground gravity geophysical survey. The gravity survey was completed by contract geophysical surveyors Fender Geophysics in April 2021. Gravity station readings were taken on a 200m spaced grid over the Alpine Prospect and surrounding area. A bouguer gravity high is associated with the deposit (Figure 9-3).

**FIGURE 9-3. Alpine Prospect Reduced Bouguer Gravity Contours**



*Planned Exploration by the Company*

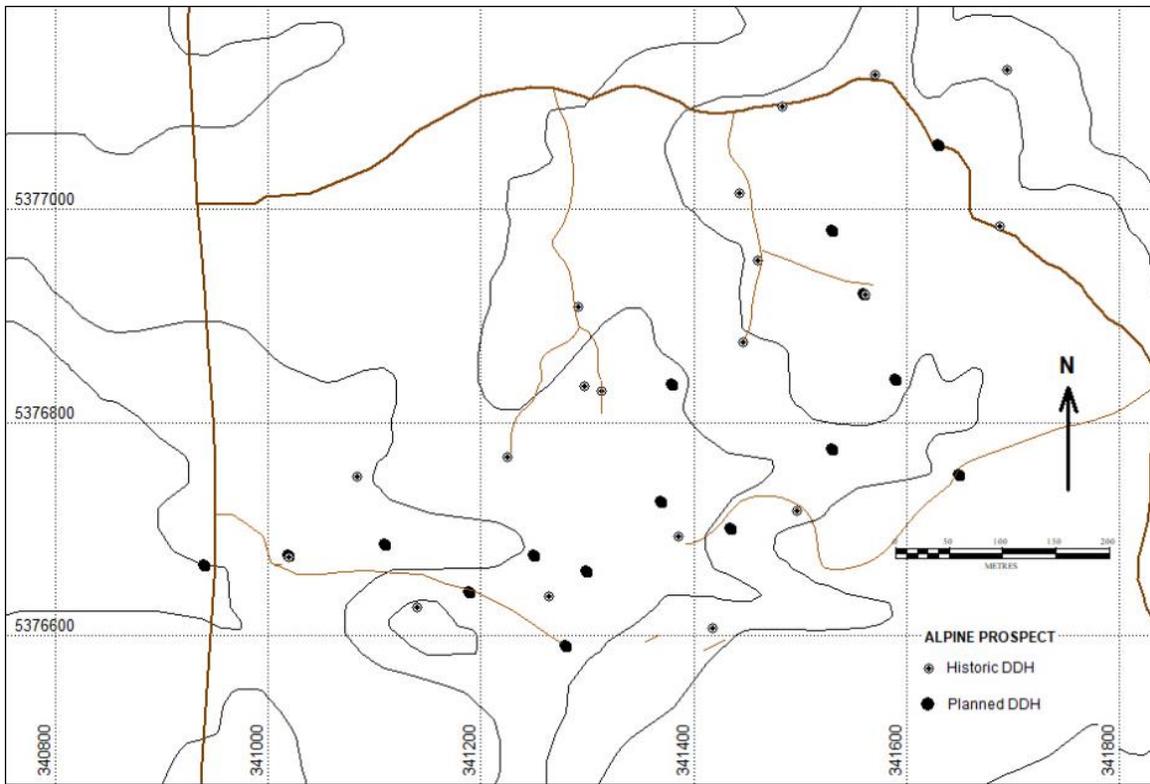
Alpine Prospect

In MA's opinion the Alpine Prospect is an advanced IOCG exploration target with significant mineralized historic diamond drillhole copper intercepts over a 700m strike length and to a depth of over 200m from surface. The prospect remains open down dip and potentially along strike. The historic drilling has defined continuous mineralization of a size and quality to suggest the prospect is a significant mineralized occurrence. Historic data quality was assessed and not considered to be adequate for resource estimation according to the guidelines of the 2012 edition of the JORC Code (Callaghan, 2019).

The Company proposes to undertake data validation and verification and infill diamond drilling over the prospect with the aim of potentially completing a resource estimation according to the guidelines of the 2012 edition of the JORC Code (Figure 9-1). The proposed drilling program comprises 16 diamond drillholes for a total of 4,430m. The number and location of some drill holes may be revised as further information is acquired and interpreted during the process of drilling.

**FIGURE 9-4. Alpine Proposed Infill Drilling**

(Westbrook, 2020)



The Company have planned the required technical studies including metallurgical test work, bulk density studies, geotechnical assessment, and preliminary mine design required to assist future resource estimation should the proposed drilling program prove successful.

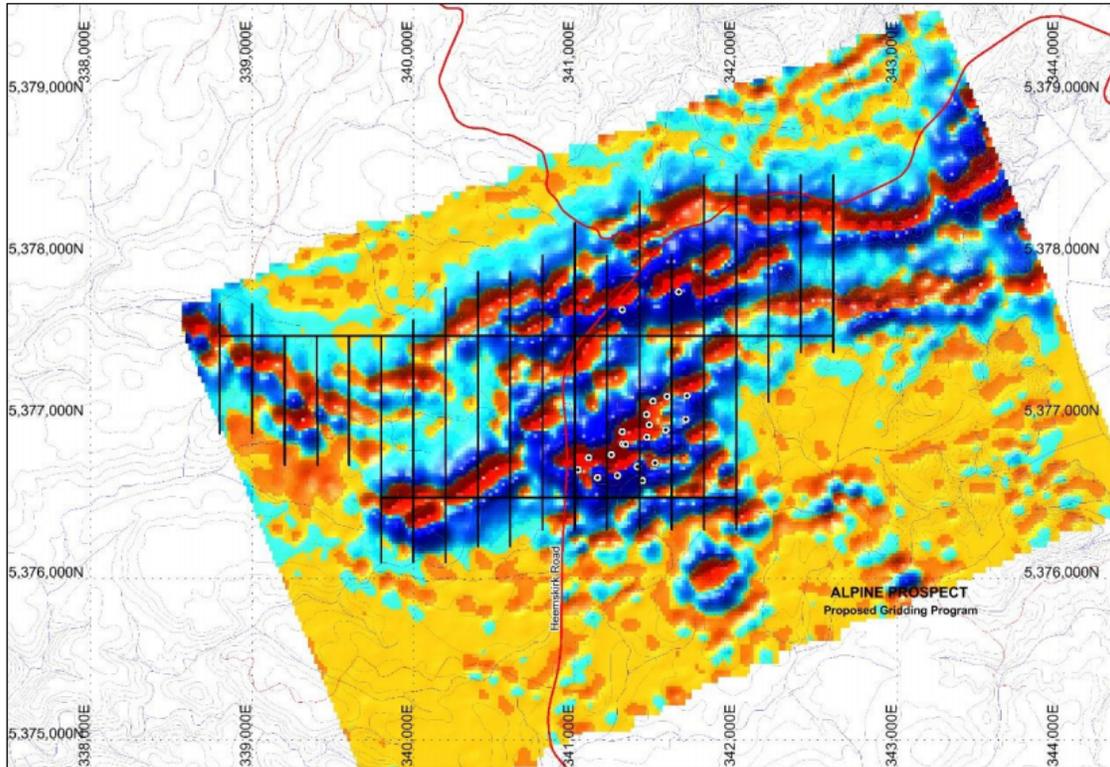
Alpine Prospect Area

The untested aeromagnetic anomalies located in the Alpine Prospect area are considered to be in the early stages of exploration. It is MA's opinion that the Bowry Formation magnetite schist justifies additional exploration including gridding and soil and rock chip geochemistry to determine if significant Cu-Au mineralization is associated with the geophysical anomalies. The Company proposed an additional 35km of gridding, providing access for additional soil geochemistry, rock chip geochemistry, geological mapping, and ground geophysical surveys (Figure 9-5). The grid had been 85% cut on the

date of issue of the Report. Proposed geophysical and geochemical surveys were planned and contractors were engaged to complete the surveys by mid-2021.

**FIGURE 9-5. Magnetics image of the Alpine Prospect illustrating proposed gridding and soil sampling survey**

(Westbrook, 2020)



#### Rocky River Area

MA considers the Rocky River adits have had sufficient historic rock chip sampling and diamond drilling testing to suggest that this target is unlikely to host potentially economic copper-gold mineralization within the immediate vicinity of the historic mine workings and soil geochemistry grid.

However, the wider Rocky River area still has untested rock chip and stream sediment geochemical anomalies that provide sufficient encouragement to warrant further exploration including gridding and soil and rock chip geochemistry.

#### Lucy Spur Area

It is MA's opinion that historic geochemical and geophysical anomalies provide sufficient encouragement to warrant ongoing exploration including drill testing.

#### Doctors Creek – Owen Meredith

Data compilation in the Doctors Creek-Owen Meredith area is insufficient to adequately assess the potential of the area. It is MA's opinion that prominent geophysical magnetic anomalies provide sufficient encouragement to continue historic data compilation and target generation of this early stage exploration prospect. The potential for future exploration work programs should be re-assessed after all historic data has been collated and reviewed.

## **Drilling**

As at the date of the Report the Company had not completed any drilling on the Property. As at the date of the Prospectus the Company has commenced drilling on the Property with no results having been received.

## **Sample Preparation, Analysis, and Security**

The Company's sampling methodology and approach is dictated by both the nature of the exploration being undertaken (i.e. initial regional exploration and more detailed follow-up of identified targets and prospects) and the limitations imposed by both the topography and the thick vegetation that characterizes the Project area.

### *Prospect scale sampling*

Most of the prospects on the Property have had preliminary float and rock chip sampling completed by historic exploration companies during regional stream sediment geochemistry. More advanced prospects have had historic adit and rock chip sampling completed during gridding and soil sampling surveys. The Company is in the process of collating and validating the historic data.

Verification sampling has been completed on the Alpine Prospect during field visits.

### *Sample Handling and Shipment*

Descriptions of sample handling and shipment of historic samples has not been documented in previous reports. All previous exploration has been completed by reputable exploration companies and qualified exploration personnel, many of whom are known by the author of this document. The volume and consistency of the historic data, some of which is supported by subsequent historic and recent sampling, suggests there is no reason to doubt the validity of sample handling and shipment.

The Company's samples are bagged into individually numbered calico bags and then consolidated into batches of 5-10 samples and placed into polyweave sacks that are sealed. Samples are either transported by registered courier or the Company's employees to ALS laboratories in Burnie for shipment to ALS Townsville or SGS laboratories in Perth.

### *Assay Laboratories*

Assaying laboratories and analytical methods used in historic exploration has not been documented.

The Company sends all samples for assay to SGS ("**SGS**"), a commercial laboratory in Perth, Australia for sample preparation and analysis. Samples are analyzed with a 4-acid digest and ICP-MS finish for 40 elements (Method ICP-40Q). Gold is determined by fire assay using a 50g charge and atomic absorption spectrometry (AAS) finish (Method FAA505).

The Company intends to send future samples to commercial laboratory ALS Laboratories based in Burnie for sample preparation and analysis. Samples will be analyzed with 4 acid digest and ICP-MS finish for 61 elements (Method ME-MS61). Gold will be determined by fire assay using a 50g charge and atomic absorption spectrometry (AAS) finish (Method Au-GR21).

## **DATA VERIFICATION**

Data verification undertaken by MA included an independent review of open file reports submitted to the MRT by previous tenement holders.

Mr. Tim Callaghan, (AusIMM, MAIG), of Mining Associates Pty Ltd visited the Property from 31<sup>st</sup> August to 2<sup>nd</sup> September 2020. Known outcrop locations were checked in the field with GPS and compared to the Company's database. Drill collar locations were checked in the field by handheld GPS and on aerial photographs.

Mr. Callaghan also visited MRT’s core library in Hobart for the purpose of reviewing exploration results and independently sampling historic drill core from the Alpine prospect held in the MRT core library. The drill hole database and surface sample database (rock chip and soils) were reviewed online via the MRT web portal [www.mrt.tas.gov.au](http://www.mrt.tas.gov.au).

Mr. Callaghan has also held discussions with a Company director, Mr. Sam Garrett, and the Company’s Senior Exploration Consultant, Mr. Sean Westbrook, in July 2019 and in September 2020.

### Independent Samples

Mr. Callaghan collected ten independent samples of quarter diamond drill core from historic Alpine drill holes AP004 and AP007. Samples were selected from what was interpreted to be “average mineralized zones” containing magnetite-hematite-pyrite-chalcopyrite and siderite.

The bagged and sealed samples were transported under the supervision of Mr. Callaghan to ALS Laboratories in Burnie for sample preparation and shipment to ALS Laboratories in Townsville under the supervision of ALS Laboratories.

ALS is an independent laboratory that has developed and implemented a Quality Management System (“QMS”) at each of its locations designed to ensure the production of consistently reliable data. The ALS quality program includes quality control steps through sample preparation and analysis, interlaboratory test programs, and regular internal audits and takes into consideration the requirements of ISO/IEC 17025:2017 and ISO 9001:2015. ALS maintains ISO registrations and accreditations, which provide independent verification that a QMS is in operation at the location in question. Sample descriptions and copper grades are summarized in Table 12-1.

**TABLE 12-1. Independent Sample Descriptions**

BHID	From	To	Spl_Id	Description	Historic Cu% 1	MA Cu% 2
AP004	132.9	133.9	30010	Chlorite-albite-magnetite-pyrite schist.	0.35	0.36
AP004	133.9	134.9	30011	Chlorite-albite-magnetite-pyrite schist.	0.28	0.26
AP004	134.9	135.9	30012	Chlorite-albite-magnetite-pyrite schist.	0.74	0.56
AP004	135.9	136.65	30013	Chlorite-albite-magnetite-pyrite schist.	0.47	0.48
AP004	136.65	137.25	30014	Banded black, graphitic phyllite and massive pyrite.	0.57	0.61
AP007	87.0	88.0	30015	Qtz-carb sandstone with disseminated Py-magnetite-cpy	0.55	0.29
AP007	88.0	89.0	30016	Qtz-carb sandstone with disseminated Py-magnetite-cpy	0.31	0.28
AP007	89.0	90.0	30017	Qtz-carb sandstone with disseminated Py-magnetite-cpy	0.35	0.40
AP007	90.0	91.0	30018	Banded massive magnetite-pyrite-carbonate with cpy dissem	0.75	0.81
AP007	91.0	92.0	30019	Banded massive magnetite-pyrite-carbonate with cpy dissem	0.80	0.82

There is good correlation between historic drill sample copper grades (Table 12-1 Cu% 1) compared with the verification duplicate samples from corresponding quarter core intervals (Table 12-1 Cu% 2).

In MA’s opinion, geological data collection and sampling is in line with industry best practice as defined in the Canadian Institute of Mining and Metallurgy and Petroleum (“CIM”) Exploration Best Practice Guidelines and the CIM Mineral Resource, Mineral Reserve Best Practice Guidelines.

### Mineral Processing and Metallurgical Testing

The Company have commenced metallurgical test work on the Alpine Prospect as part of technical studies required for resource estimation.

The Company has prepared 3 samples derived from quartered drill core from historic drill holes stored in MRT's core library. Samples were collected over three nominal copper grade ranges: low-grade, mid-grade and high-grade. Individual samples within each of the grade-ranges will be combined and homogenized to create three "bulk samples" (i.e. one bulk sample for each nominal grade range).

The samples have been submitted to SGS Laboratories for mineralogical analysis with a particular focus on Cu, Fe and Co mineral assemblages, abundance, grain size distribution, mineral association, locking and liberation. The mineralogy test work results will inform the design of bench scale metallurgical programs that will test the recovery of separate copper and magnetite concentrates from the bulk samples.

Results were not available at the time of the Report.

### **Mineral Resource Estimates**

This is an early stage project and there is no mineral resource estimate on the Property.

### **Mineral Reserve Estimates**

This is an early stage project and no mineral reserve estimates have been carried out on the Property.

### **Advanced Headings**

The following headings are not relevant to this early-stage property:

- Mining Methods;
- Recovery Methods;
- Project Infrastructure;
- Market Studies and Contracts;
- Environmental Studies, Permitting and Social or Community Impact;
- Capital and Operating Costs; and
- Economic Analysis.

**The Author has not been able to independently verify the above reserve information and it is not necessarily indicative of the mineralization on the Property which is the subject of this report.**

### **Recommendations**

The mineralization defined by historic drilling suggests potential to advance to resource estimation if the proposed drilling successfully confirms sufficient style, quantity, and grade of mineralization to satisfy the guidelines of the 2012 edition of the JORC Code. MA considers the proposed drilling program of 18 diamond holes for 4,320m and technical studies including metallurgical test work, bulk density determinations, data verification, and QAQC to be adequate to test this potential.

The proposal to extend early-stage reconnaissance exploration of gridded soil and rock chip sampling locations to other magnetic anomalies in the vicinity of the Alpine Prospect is considered warranted by MA.

Future verification sampling of early-stage prospects and some twinned drillholes of the advanced Alpine Prospect are recommended.

A one-year field program and budget proposed by MA for the Alpine Prospect area on the Property is summarized in Table 26-1 below:

**TABLE 26-1. Proposed 12 month Exploration Program and Budget**

<b>Prospect</b>	<b>Work Programme</b>	<b>Total</b>
Alpine	Exploration personnel	\$304,464
Alpine	Assays and geochemistry	\$180,614
Alpine	Geophysics (gravity and IP)	\$175,085
Alpine	Track cutting and gridding	\$87,543
Alpine	Diamond drilling (4000m)	\$556,586
Alpine	Environment land access and rehab	\$23,037
Alpine	Feasibility studies	\$36,860
Logistical Support	Logistics and Administration (Exploration office, vehicles, and supplies)	\$158,954
Contingency	10% Contingency	\$152,314
<b>Total</b>		<b>\$1,675,457<sup>(1)</sup></b>

<sup>(1)</sup> Equivalent to approximately AUD\$2,000,000 as set out in the Technical Report, without including Australian Goods and Services tax of 10%, as this amount is refundable to the Company. Based on an exchange rate of AUD\$1.00 equal to \$0.9215 based on August 27, 2021 spot rate obtained from Bank of Canada. As of the date of this Prospectus, a portion (\$506,848) of the proposed exploration program has already been completed.

#### *References*

For a complete list of references used in the Technical Report, reference should be made to the full text of the Technical Report which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

#### *Skyline Property*

The Skyline Property was an additional property held by Georgina which was acquired by the Company on the closing of the Georgina Purchase Agreement. The Company considers that having an additional property in relatively close proximity to the Property is a sound business decision.

### **USE OF PROCEEDS**

#### **Funds Available**

Assuming the Offering is completed, the estimated net proceeds of the Offering, after deducting the estimated balance of the expenses of the Offering of \$424,825, and the Agent's Commission of 6.0% (\$300,000) under the Offering (or \$345,000 in the event the Greenshoe Option is exercised in full) are expected to be \$4,275,175 (or \$4,980,175 in the event the Greenshoe Option is exercised in full). As at October 31, 2021, the Company had working capital of approximately \$6,830,811. Accordingly, the Company anticipates having available funds of approximately \$11,105,986 following the Closing.

As at June 30, 2021, the Company had working capital of approximately \$7,551,935. The principal changes to the working capital as at October 31, 2021 compared to as at June 30, 2021 are due to: mineral expenditures (\$463,000); management, director and consulting fees (\$138,000) and general, administrative, professional and filing fees (\$120,000).

The Company's estimated use of funds (assuming no exercise of the Greenshoe Option) for the twelve months following the Closing is as follows:

Use of Available Funds	(\$) <sup>(1)</sup>
Proposed 12 month exploration program as outlined in the Technical Report <sup>(2)</sup>	705,730 <sup>(3)</sup>
General and administrative expenses for 12 months <sup>(4)</sup>	1,435,254
Second phase exploration program	2,500,000 <sup>(5)</sup>
Unallocated working capital <sup>(6)</sup>	6,465,002
<b>Total:</b>	<b>11,105,986</b>

<sup>(1)</sup> The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. See "Use of Proceeds".

<sup>(2)</sup> See table in section under heading "Narrative Description of the Business - Recommendations" for a summary of the work to be undertaken, a breakdown of the estimated costs, and the nature of title to or the Company's interest in the Property.

<sup>(3)</sup> Based on an exchange rate of AUD\$1.00 equal to \$0.9215 based on August 27, 2021 spot rate obtained from Bank of Canada. As of the date of this Prospectus, a portion (\$969,727) of the proposed exploration program (\$1,675,457) has already been completed. Of the \$969,727 already spent, \$364,345 has been spent on diamond drilling, \$423,251 has been spent on geological consulting, \$146,108 has been spent on field and general operations, and \$36,023 has been spent on Geophysics. The total of \$1,675,457 is equivalent to approximately AUD\$2,000,000 as set out in the Technical Report, without including Australian Goods and Services tax of 10%, as this amount is refundable to the Company.

<sup>(4)</sup> Estimated general and administrative expenses for the next 12 months include: \$693,450 for management fees (see "Proposed Compensation to be paid to Executive Officers" on page 68); \$300,000 for IR and marketing; \$138,000 for accounting and compliance; \$150,000 for professional fees; \$112,804 for office expenses, and \$41,000 for insurance.

<sup>(5)</sup> Management has allocated this amount as an approximate budget and the actual cost may vary. Any second phase exploration program is contingent on positive results from the initial 12 month exploration work program as outlined in the Technical Report.

<sup>(6)</sup> Any funds received upon exercise of the Greenshoe Option will be treated as unallocated working capital. The Company intends to spend the funds available to it as stated in this Prospectus. Following the completion of the proposed 12 month work exploration program on the Property, additional expenditures on the Property may be warranted. In addition, the Company expects to incur similar general and administrative expenses annually following the initial 12 month period following the Closing. In addition, management of the Company has determined that, due to financing uncertainties affecting the mineral exploration industry in general, it is prudent to retain unallocated working capital in the event financing difficulties or a market downturn occurs in the future. There may be circumstances however, where, for sound business reasons, a reallocation of budgeted funds may be necessary. The use of funds available will vary depending on the Company's operating and capital needs from time to time and will be subject to the discretion of management of the Company.

## Negative Operating Cash Flow

Subject to, and upon completion of the Offering, the Company's working capital available to fund ongoing operations will be sufficient to meet its administrative costs and exploration expenditures for twelve months.

Since incorporation, the Company has not generated cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since funds will be expended to pay its administrative expenses and to conduct the recommended 12 month exploration program on the Property. Although the Company has allocated \$705,730 (as above) from the Offering to fund its ongoing exploration program for a period of twelve months, thereafter, the Company will be reliant on any working capital and future equity financings for its funding requirements with respect to its exploration program.

The Company intends to spend the funds available to it as stated in this Prospectus. Following the completion of the proposed 12 month work exploration program on the Property, additional expenditures on the Property may be warranted. In addition, the Company expects to incur similar general and administrative expenses annually following the initial 12 month period following the Closing. In addition, management of the Company has determined that, due to financing uncertainties affecting the mineral exploration industry in general, it is prudent to retain unallocated working capital in the event financing difficulties or a market downturn occurs in the future. There may be circumstances however, where, for sound business reasons, a reallocation of budgeted funds may be necessary. The use of funds available will vary depending on the Company's operating and capital needs from time to time and will be subject to the discretion of management of the Company.

## **Business Objectives and Milestones**

The Company is primarily engaged in the acquisition, exploration and development of mineral properties. The Company's business objectives include completing the work program recommended in the Technical Report. See the section of this Prospectus entitled "*Recommendations*" for the components of the work program, and the expected costs related to each component.

The Company's business objectives are as follows:

1. complete the Offering by the end of November 2021; and
2. complete the recommended 12 month exploration program on the Property estimated at totaling \$1,675,457 by fall 2022.

Significant events that need to occur for the business objectives to be accomplished:

1. obtain a Receipt for this Prospectus by the middle of November 2021; and
2. coordinate and execute the different components of the 12 month exploration program, including: organizing exploration personnel (currently in place and available), conducting the geophysical surveys (subject to availability of suitable contractors), and drilling (program in place and permissions in place).

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

### *Impact of COVID-19 on the Business Objectives and Milestones*

While the outbreak of COVID-19 has not caused material disruptions to the Company's business, it may yet cause disruptions to the Company's business and operations plans. A future wave of COVID-19 in Tasmania may result in further disruptions due to: (i) restrictions that governments and communities impose to address the COVID-19 global pandemic; (ii) restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others; (iii) shortages of employees and/or unavailability of contractors and subcontractors; (iv) interruption of supplies from third-parties upon which the Company relies; and/or (v) delays in obtaining government permits and issue of licenses. Further, it is presently not possible to predict the extent or durations of these disruptions. These disruptions may have a material adverse effect on the Company's business, financial condition and results of operations, which could be rapid and unexpected. These disruptions may severely impact the Company's ability to carry out its business plans for 2021.

The number of COVID-19 cases in Tasmania has been low compared to other states in Australia and other jurisdictions around the world. To date, Tasmania has reported fewer than 300 total COVID-19 cases and for a total population of over 517,000 people. The success of the COVID-19 vaccination program of Tasmania and Australia in general and the rate of vaccination of the Tasmanian population may impact the likelihood of additional restrictions, curfews and travel restrictions. To date, over 81% of the Australian population over the age of 16 has received at least one dose of a COVID-19 vaccine and over 59% over the age of 16 has received two doses. To date, over 78% of the Tasmanian population over the age of 16 has received at least one dose of a COVID-19 vaccine and over 62% over the age of 16 has received two doses (Source: <https://www.health.gov.au/>).

## **DIVIDENDS**

The Company has never declared nor paid any dividend since its incorporation and does not foresee paying any dividend in the near future since all available funds will be used to achieve the business objectives of the Company. Any future payment of dividends will depend on the financing requirements and financial condition of the Company and other factors, which the Board, in its sole discretion, may consider appropriate and in the best interest of the Company.

Under the BCBCA, the Company is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Company is insolvent or the payment of dividends would render the Company insolvent.

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

The MD&A for the period from incorporation on July 21, 2020 to December 31, 2020 provides an analysis of the Company's financial results for such period and should be read in conjunction with the financial statements of the Company for such period, and the notes thereto. The MD&A for the period from incorporation on July 21, 2020 to December 31, 2020 is attached to this Prospectus as Appendix B.

The MD&A for the six months ended June 30, 2021 provides an analysis of the Company's financial results for such period and should be read in conjunction with the financial statements of the Company for such period, and the notes thereto. The MD&A for the six months ended June 30, 2021 is attached to this Prospectus as Appendix B.

Certain information included in the MD&A attached to this Prospectus as Appendix B is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Cautionary Statement Regarding Forward-Looking Statements*" for further detail.

### **DESCRIPTION OF THE SECURITIES DISTRIBUTED**

#### **Authorized Capital**

The authorized capital of the Company consists of an unlimited number of Common Shares, of which 56,175,365 Common Shares were issued and outstanding as at the date of this Prospectus.

#### **Common Shares**

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

#### **Corporate Finance Securities**

The Company has agreed to grant the Agent 50,000 Common Shares as is equal to \$25,000 of Common Shares at the Offering Price. The issuance of the Corporate Finance Securities is qualified under this Prospectus. See "*Plan of Distribution*".

#### **Greenshoe Option**

The Agent has been granted the Greenshoe Option pursuant to which the Agent may acquire from the Company, within thirty days of the Closing, at a price of \$0.50 per Common Share, an additional 15% of the number of Common Shares sold under the Offering solely to cover over-allotments, if any. The grant of the Greenshoe Option and the Common Shares issuable upon exercise of the Greenshoe Option are qualified under this Prospectus. See "*Plan of Distribution*".

### **CONSOLIDATED CAPITALIZATION**

The following table summarizes the Company's capitalization as of the date of this Prospectus and upon completion of the Offering, respectively:

Description	As at December 31, 2020	As at June 30, 2021	As at the date of this Prospectus	After giving effect to the Offering <sup>(1)</sup>	After giving effect to the Offering <sup>(2)</sup>
Common Shares	44,228,025	56,175,365	56,175,365	66,175,365	67,675,365
Corporate Finance Securities <sup>(3)</sup>	-	-	-	50,000	50,000
Warrants <sup>(4)</sup>	8,075,124	11,530,936	11,530,936	11,530,936	11,530,936
Options <sup>(5)</sup>	-	-	5,400,000	5,400,000	5,400,000

<sup>(1)</sup> Not including the Greenshoe Option.

<sup>(2)</sup> Including the Greenshoe Option.

<sup>(3)</sup> For additional details, see *"Agent's Commission"*.

<sup>(4)</sup> For additional details, see *"Prior Sales"*.

<sup>(5)</sup> For additional details, see *"Options to Purchase Securities"*.

### OPTIONS TO PURCHASE SECURITIES

The Board adopted a 10% rolling stock option plan, the Stock Option Plan, on May 14, 2021. The purpose of the Stock Option Plan is to: (i) attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through Options granted under the Stock Option Plan and (ii) recognize contributions made by eligible persons and to create an incentive for their continuing assistance to the Company and its affiliates. The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all Options thereunder. The Stock Option Plan is a rolling plan pursuant to which the number of Common Shares reserved for issuance pursuant to the exercise of Options granted under the plan cannot exceed 10% of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an Option is granted.

Options may be granted under the Stock Option Plan to such directors, officers, employees, or consultants of the Company and its affiliates, if any, as the Board may from time to time designate. The exercise price of Options will be determined by the Board, but after listing of the Common Shares on the Exchange such price will not be less than the minimum prevailing price permitted by the Exchange. All options granted under the Stock Option Plan will expire not later than the maximum exercise period as determined by the applicable securities laws and the policies of the Exchange. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; (iii) one year from the date of disability; or (iv) one year from the date of death. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Unless authorized by the shareholders of the Company in accordance with applicable securities laws, the number of Common Shares reserved for issuance under the Stock Option Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Common Shares, is subject to the restrictions imposed under applicable securities laws.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, a copy of which is filed on the Company's profile on SEDAR:

1. The Board (which for the purposes of the Stock Option Plan includes any committee set up by the Board to govern the Options) shall establish the exercise price at the time each Option is granted, subject to the following conditions:
  - (a) if the Common Shares are listed on the TSXV, the exercise price will not be less than the minimum prevailing price permitted by the TSXV policies;

- (b) if the Common Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting;
  - (c) if an Option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by TSXV policies and the per Share price paid by public investors for Common Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and
  - (d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.
2. Upon expiry of an Option, or in the event an Option is otherwise terminated for any reason, without having been exercised in full, the number of Common Shares in respect of the expired or terminated Option shall again be available for an option grant under the Stock Option Plan.
  3. All Options granted under the Stock Option Plan may not have an expiry date exceeding 10 years from the date on which the option is granted.
  4. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Common Shares, unless the Company has obtained disinterested Shareholder approval.
  5. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Common Shares, without the prior consent of the TSXV.
  6. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued Common Shares, without the prior consent of the TSXV.
  7. The Stock Option Plan provides that Options issued to optionees performing investor relations activities will vest in stages over not less than 12 months with no more than one quarter of the options vesting in any three month period.
  8. If a director, employee or consultant of the Company is terminated for cause, then any Option granted to the option holder will terminate immediately upon the option holder ceasing to be a director, employee, or consultant by reason of termination for cause.
  9. If an option holder ceases to be a director, employee or consultant of the Company (other than by reason of death, disability, resignation or termination of services for cause) or resigns, as the case may be, then any Option granted to the option holder that had vested and was exercisable on the date of termination will expire on the earlier of (a) the expiry date, and (b) unless the Board agrees to a longer period (not to exceed one year), the date that is 90 days following the date that the option holder ceases to be a director, employee or service provider of the Company.
  10. If an option holder dies, the option holder's lawful personal representatives, heirs or executors may exercise any Option granted to the option holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the option holder.
  11. If an option holder ceases to be a director, employee or consultant as a result of a disability, the option holder may exercise any Option granted to the option holder that had vested and was exercisable on the date of disability until the earlier of the expiry date and one year after the date of disability.
  12. The Board shall establish a vesting period or periods at the time each Option is granted to a director, employee or consultant, and if no vesting schedule is specified at the time of grant, the Option shall vest immediately, other than Options granted to eligible persons performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.

13. The Stock Option Plan will be administered by the Board (which for the purposes of the Stock Option Plan includes any committee setup by the Board to govern the Options) who will have the full authority and sole discretion to grant Options under the Stock Option Plan to any eligible party, including themselves.
14. Options granted under the Stock Option Plan shall not be assignable or transferable by an option holder.
15. The Board may, from time to time, subject to regulatory or shareholder approval, if required under the policies of the TSXV, amend or revise the terms of the Stock Option Plan.

The Stock Option Plan provides that other terms and conditions may be attached to a particular Option at the discretion of the Board.

The foregoing summary of the Stock Option Plan is not complete and is qualified in its entirety by reference to the Stock Option Plan, a copy of which is filed on the Company's profile on SEDAR.

As of the date of this Prospectus, the following Options granted to our directors, executive officers, employees and consultants are outstanding:

Optionee	Number of Options <sup>(1)</sup>	Date of Grant	Exercise Price	Expiry Date
All executive officers and past executive officers of the issuer, as a group (4 persons)	2,800,000	July 27, 2021	\$0.35	July 27, 2026
All directors and past directors of the issuer who are not also executive officers, as a group (4 persons)	1,650,000	July 27, 2021	\$0.35	July 27, 2026
All other employees and past employees of the issuer as a group	Nil	N/A	N/A	N/A
All consultants of the issuer as a group	950,000	July 27, 2021	\$0.35	July 27, 2026
<b>TOTAL</b>	<b>5,400,000</b>			

Notes:

- (1) These Options vest as follows: one-third (1/3<sup>rd</sup>) on the date that is four months after the Listing Date, one-third (1/3<sup>rd</sup>) on the date that is eight months after the Listing Date, and one-third (1/3<sup>rd</sup>) on the date that is 12 months after the Listing Date.

**PRIOR SALES**

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

<b>Issue Date</b>	<b>Price Per Common Share</b>	<b>Number of Common Shares Issued</b>	<b>Proceeds to the Company</b>
July 21, 2020	\$0.01	1 <sup>(1)</sup>	\$0.01
July 21, 2020	\$1.00	2 <sup>(2)</sup>	\$2.00
October 23, 2020	\$1.00	2	\$2.00
October 23, 2020	\$0.045	16,827,776	\$757,250
October 30, 2020	\$0.045	950,000	\$42,750
November 9, 2020	\$0.045	10,300,000	N/A Under Georgina Purchase Agreement (Fair value of \$0.045 per Share)
November 20, 2020	\$0.35	6,345,362 <sup>(3)</sup>	\$2,220,877
December 3, 2020	\$0.35	9,804,885 <sup>(3)</sup>	\$3,431,710
January 14, 2021	\$0.35	300,714 <sup>(3)</sup>	\$105,250
June 8, 2021	\$0.35	6,610,912 <sup>(3)</sup>	\$2,313,819
June 8, 2021	\$0.045	5,035,714	\$226,607
<b>TOTAL</b>		<b>56,175,365</b>	<b>\$9,098,267</b>

<sup>(1)</sup> Repurchased for cancellation on July 21, 2020.

<sup>(2)</sup> Repurchased for cancellation on October 23, 2020.

<sup>(3)</sup> Private placement consisted of the issuance of units of the Company. Each unit was comprised of one common share of the Company and one-half of one common share purchase warrant, with each whole warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.75 per warrant share at any time until the date that is 24 months after the date of issuance of the units, subject to acceleration and adjustment in accordance with the terms of the warrants.

**ESCROWED SECURITIES**

In accordance with NP 46-201 and the policies of the TSXV, all shares of an issuer owned or controlled by its principals are required to be placed in escrow at the time of the Listing. In addition, in accordance with the policies of the TSXV, all shares of the Company that were issued at a price below \$0.05 per Common Share will be subject to the same escrow requirements. Upon completion of the Listing, the Company is expected to be an “emerging issuer” as defined in NP 46-201 and a “Tier 2 Issuer” under the policies of the TSXV.

Pursuant to the Escrow Agreement, 23,442,023 Common Shares, 2,300,713 warrants to purchase Common Shares and 3,950,000 Options are subject to escrow in accordance with NP 46-201. The following table sets out the number of securities subject to escrow restrictions imposed by the Escrow Agreement:

Designation of Class	Number of Securities held in Escrow or that are subject to a Contractual Restriction on Transfer	Percentage of class
Common Shares	23,442,023 <sup>(1)</sup>	35.4% <sup>(2)</sup>
Warrants	2,300,713 <sup>(3)</sup>	19.95% <sup>(4)</sup>
Options	3,950,000	73.15% <sup>(5)</sup>

<sup>(1)</sup> Common Shares held by the following principals (as defined in NP 46-201) will be subject to the Escrow Agreement: Stephen Swatton, Robert Scott, Sean Westbrook, Aaron Keay, Craig Roberts, Samuel Garrett, and Eoin Saadien. See “Directors and Executive Officers”. Also includes an aggregate of 2,090,714 Common Shares held by spouses and relatives that live at the same address of the principals listed above. Does not include any securities held by Danica Topolewski, the Corporate Secretary of the Company, or Ms. Topolewski’s spouse, as securities held by Ms. Topolewski and her spouse carry less than 1% of the voting rights attached to the Company’s outstanding securities immediately after the Closing.

<sup>(2)</sup> Based on 66,225,365 Common Shares issued and outstanding following the Closing, on an undiluted basis (not including the Greenshoe Option).

<sup>(3)</sup> Comprised of 2,170,356 warrants to purchase Common Shares held by the principals and 130,357 warrants to purchase Common Shares held by spouses of the principals and relatives that live at the same address of the principals.

<sup>(4)</sup> Based on 11,530,936 warrants to purchase Common Shares issued and outstanding following the Closing.

<sup>(5)</sup> Based on 5,400,000 Options granted and unexercised following the Closing.

The following table sets out the number of securities expected to be subject to escrow restrictions imposed by the applicable escrow requirements in accordance with the policies of the TSXV:

Designation of Class	Number of Securities held in Escrow or that are subject to a Contractual Restriction on Transfer	Percentage of class
Common Shares	14,272,895 <sup>(1)</sup>	21.21% <sup>(2)</sup>
Options	1,450,000 <sup>(3)</sup>	26.85%

<sup>(1)</sup> 14,272,895 Common Shares were issued at a price below \$0.05 per Common Share and are not held by principals subject to escrow under NP 46-201 and will be subject to the applicable escrow requirements in accordance with the policies of the TSXV, being in accordance with a Value Security Escrow Agreement (as defined in TSXV Policy 5.4).

<sup>(2)</sup> Based on 66,225,365 Common Shares issued and outstanding following the Closing, on an undiluted basis (not including the Greenshoe Option).

<sup>(3)</sup> All of the Options granted have an exercise of \$0.35 per share, being 70% of the Offering Price, and the Options held by non-principals are therefore subject to the applicable escrow requirements in accordance with the policies of the TSXV, being a four month hold with 20% released each month with the first release on the Closing Date. The Options held by the principals subject to escrow under NP 46-201 are subject to the Escrow Agreement.

The following table sets out the number of securities expected to be subject to escrow restrictions imposed by the Voluntary Escrow Agreements at Closing:

Designation of Class	Number of Securities held in Escrow or that are subject to a Contractual Restriction on Transfer	Percentage of class
Common Shares	55,555,363 <sup>(1)</sup>	83.89% <sup>(3)</sup>
Warrants	11,220,935 <sup>(2)</sup>	97.31% <sup>(4)</sup>

<sup>(1)</sup> 22,441,873 Common Shares and 11,220,935 warrants to purchase Common Shares are subject to the Voluntary Escrow Agreement (12) and 33,113,490 Common Shares are subject to the Voluntary Escrow Agreement (24).

<sup>(2)</sup> 8,985,570 warrants to purchase Common Shares are held by the Voluntary Escrow Securityholders who are non-principals.

<sup>(3)</sup> Based on 66,225,365 Common Shares issued and outstanding following the Closing, on an undiluted basis (not including the Greenshoe Option).

<sup>(4)</sup> Based on 11,530,936 warrants to purchase Common Shares issued and outstanding following the Closing.

As the Company anticipates being an “emerging issuer” as defined in NP 46-201, the following automatic timed releases will apply to the Escrow Securities subject to the Escrow Agreement and the applicable policies of the TSXV:

Date	Release
On the Listing Date	10% of the Escrow Securities
6 months after the Listing Date	15% of the Escrow Securities
12 months after the Listing Date	15% of the Escrow Securities
18 months after the Listing Date	15% of the Escrow Securities
24 months after the Listing Date	15% of the Escrow Securities
30 months after the Listing Date	15% of the Escrow Securities
36 months after the Listing Date	15% of the Escrow Securities

Assuming there are no changes to the Escrow Securities initially deposited, and subject to the terms of the Voluntary Escrow Agreements, as applicable, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining Escrow Securities being released in 15% tranches every 6 months thereafter.

In addition to the foregoing, certain principal and non-principal shareholders who participated in certain financing rounds voluntarily entered into the Voluntary Escrow Agreements or agreed to be bound pursuant to the subscription agreements between such shareholders and the Company, such that 55,555,363 Common Shares and 11,220,935 warrants to purchase Common Shares are subject to voluntary escrow and subject to the restrictions described in this Prospectus.

The securities subject to the Voluntary Escrow Agreement (24) include certain of the Common Shares which were issued at \$0.045 per Common Share. The Voluntary Escrow Agreement (24) provides that 25% of the number of securities held thereunder will be released on the date that is 6 months after the Listing Date and an additional 25% of the number of securities originally held thereunder shall be released on each of 12 months, 18 months, and 24 months after the Listing Date.

The securities subject to the Voluntary Escrow Agreement (12) include certain of the Common Shares and certain warrants to purchase Common Shares which were issued at \$0.35 per unit. The Voluntary Escrow Agreement (12) provides that one-third of the number of securities held thereunder will be released on the date that is 4 months after the Listing Date and an additional one-third of the number of securities originally held thereunder shall be released on each of 8 months and 12 months after the Listing Date.

#### PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and executive officers of the Company, as of the date of this Prospectus, and as of the Closing, no person beneficially owns, controls or directs, or will beneficially own, control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company other than the following:

Name of Shareholder	Number of Common Shares	Percentage of Securities Held	
		At the date of this Prospectus <sup>(1)</sup>	After giving effect to the Offering <sup>(2)</sup>
Aaron Keay	8,257,142	14.69%	12.47%

<sup>(1)</sup> Based on 56,175,365 Common Shares outstanding at the date of this Prospectus.

<sup>(2)</sup> Based on 66,225,365 Common Shares issued and outstanding following the Closing, on an undiluted basis (not including the Greenshoe Option).

#### DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the directors and executive officers of the Company, the name, municipality of residence, age, principal occupation, position held with the Company and the date on which the person became a Director.

Name and Municipality of Residence	Principal Occupation during past Five Years	Director or Officer Since	If Director, expiry of term of office	Common Shares Beneficially Owned <sup>(9)(10)</sup>	Percentage of Securities Held	
					At the date of this Prospectus <sup>(1)</sup>	After giving effect to the Offering <sup>(2)</sup>
Stephen Swatton <sup>(3)</sup> British Columbia, Canada <i>CEO and Director</i>	Mr. Swatton has been the President and CEO of K2 Gold Corporation from June 2016 to present.	February 25, 2021	At next Annual General Meeting	892,857	1.59%	1.35%
Robert Scott British Columbia, Canada <i>CFO</i>	Mr. Scott is a CPA, CA and CFA Charterholder and is Founder and President of Corex Management Inc., a private company which, for the past 12 years, has provided accounting, administration and corporate compliance services to privately held and publicly traded companies.	February 25, 2021	N/A	150,000	<1%	<1%
Sean Westbrook <sup>(6)</sup> Tasmania, Australia <i>VP Exploration</i>	Mr. Westbrook is a self-employed consulting exploration geologist with over 20 years' experience.	June 1, 2021	N/A	4,635,000	8.25%	7%

Name and Municipality of Residence	Principal Occupation during past Five Years	Director or Officer Since	If Director, expiry of term of office	Common Shares Beneficially Owned <sup>(9)(10)</sup>	Percentage of Securities Held	
					At the date of this Prospectus <sup>(1)</sup>	After giving effect to the Offering <sup>(2)</sup>
Danica Topolewski British Columbia, Canada <i>Corporate Secretary</i>	Ms. Topolewski has been a consultant to a number of private and public companies in the Corporate Secretarial capacity for over 15 years.	February 25, 2021	N/A	Nil	Nil%	Nil
Aaron Keay <sup>(3)(5)</sup> Vancouver, BC <i>Director</i>	Mr. Keay is a Founder and managing partner of Inform Capital Partners, a corporate finance advisory and merchant banking firm from 2008 to present.	February 25, 2021	At next Annual General Meeting	8,257,142	14.69%	12.47%
Craig Roberts <sup>(3)(4)(5)</sup> Victoria, BC <i>Director</i>	Mr. Roberts is a mining engineer with more than 35 years of operations, consulting, and investment banking experience. Mr. Roberts is CEO of New Found Gold Corp. and former President and CEO of Ethos Gold Corp.	November 9, 2020	At next Annual General Meeting	1,632,381 <sup>(7)</sup>	2.91%	2.46%
Samuel Garrett Elsternwick, Victoria, Australia <i>Director</i>	Mr. Garrett is a self-employed consulting exploration geologist with over 30 years' experience. Mr. Garrett is an executive of Flynn Gold Ltd.	November 9, 2020	At next Annual General Meeting	3,813,928 <sup>(8)</sup>	6.79%	5.76%

Name and Municipality of Residence	Principal Occupation during past Five Years	Director or Officer Since	If Director, expiry of term of office	Common Shares Beneficially Owned <sup>(9)(10)</sup>	Percentage of Securities Held	
					At the date of this Prospectus <sup>(1)</sup>	After giving effect to the Offering <sup>(2)</sup>
Eoin Saadien <sup>(5)</sup> Singapore <i>Chairman, Director</i>	Mr. Saadien was director of a commodities futures trading company and most recently, Head of Capital for Clermont Group in Singapore.	May 26, 2021	At next Annual General Meeting	2,050,001	3.65%	3.10%
<b>Total:</b>				<b>21,431,308</b>	<b>38.15%</b>	<b>32.36%</b>

<sup>(1)</sup> Based on 56,175,365 Common Shares outstanding at the date of this Prospectus.

<sup>(2)</sup> Based on 66,225,365 Common Shares issued and outstanding following the Closing, on an undiluted basis (not including the Greenshoe Option).

<sup>(3)</sup> Member of the Audit Committee.

<sup>(4)</sup> Chairman of the Audit Committee.

<sup>(5)</sup> Member of the Compensation Committee.

<sup>(6)</sup> All shares are held indirectly by Halona Holdings Pty Ltd., a company controlled by Sean Westbrook.

<sup>(7)</sup> All shares are held indirectly by Flotsam Cove Holdings Ltd., a company controlled by Craig Roberts.

<sup>(8)</sup> All shares are held indirectly by Metal Ventures Pty Ltd. ATF the Garrett Family Trust, a company controlled by Samuel Garrett.

<sup>(9)</sup> All securities held by directors and officers of the Company are escrowed under the Escrow Agreement. See "Escrowed Securities".

<sup>(10)</sup> Not including: 2,170,356 warrants to purchase Common Shares and 3,950,000 Options which are escrowed under the Escrow Agreement pursuant to NP-46-201 and 2,090,714 Common Shares and 130,357 warrants to purchase Common Shares held by spouses of the principals and relatives that live at the same address of the principals which are escrowed under the Escrow Agreement pursuant to NP-46-201.

## Term of Office

The directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

## Biographical Information

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

### *Stephen Swatton – Age 60, CEO and Director*

Mr. Swatton has been in the mining and exploration business for 30 years and has held positions such as Senior Geologist for Rio Tinto, Institutional Mining Analyst for Yorkton Securities, CEO of several successful junior companies including, Brazil Resources Inc. and Fortress Minerals Ltd (now Lundin Gold) and was Global Head of Business Development for the BHP Billiton Exploration Group (2005-2008). In recent years Mr. Swatton has developed varied business interests in third world jurisdictions while maintaining a keen interest in the Canadian resource sector through investment and opportunity recognition. Mr. Swatton is currently President, CEO and a director of K2 Gold Corp.

Mr. Swatton expects to devote 50% of his time to the affairs of the Company in the initial few months raising to 80% in Q3 2021. Mr. Swatton, in his capacity as CEO and director of the Company, is not currently subject to the terms of any non-

competition agreement. Pursuant to the terms of the Lundy Management Ltd Consulting Agreement, Mr. Swatton is subject to certain non-disclosure and confidentiality provisions.

*Robert Scott – Age 52, CFO*

Mr. Scott has over 20 years of professional experience in the areas of corporate finance, accounting and merchant and commercial banking. He is a CPA, CA and a CFA Charter holder and has spent the last 15 years as a senior officer and director of a number of TSX Venture Exchange listed issuers. In that time he has helped raise in excess of \$200 million in equity and has gained extensive experience in IPOs, RTOs, corporate restructuring and mergers and acquisitions, as well as cost effective management of operations.

Mr. Scott will devote the time necessary to perform the work required in connection with acting as Chief Financial Officer of the Company. Mr. Scott, in his capacity as Chief Financial Officer of the Company, is not currently subject to the terms of any non-competition or non-disclosure agreement. Mr. Scott is not an employee; however, he acts as a consultant to the Company.

*Danica Topolewski – Age 46, Corporate Secretary*

Ms. Topolewski is a partner in a privately held consulting company offering corporate secretarial services to both private and publicly listed companies. She has over 15 years of corporate secretary experience with dozens of companies ranging from private start-ups to mid-tier market cap public companies in the mining, biotech, technology, and agricultural industries. She specializes in IPOs, RTOs, mergers and acquisitions, and private placements.

Ms. Topolewski will devote the time necessary to perform the work required in connection with acting as Corporate Secretary of the Company. Ms. Topolewski, in her capacity as Corporate Secretary of the Company, is not currently subject to the terms of any non-competition or non-disclosure agreement. Ms. Topolewski is not an employee; however, she acts as a consultant to the Company.

*Sean Westbrook – Age 45 - VP Exploration*

Mr. Westbrook is a qualified geologist with more than 20 years' experience in mineral exploration and mining throughout Tasmania, mainland Australia, South East Asia, and South America. His hands-on experience covers a wide range of commodities, ore deposit types and mineralization styles from regional and district scale targeting to mine scale exploration and resource definition. His background includes senior technical and management roles as with BHP Billiton Iron Ore, PanAust Resources (Laos), OZ Minerals (Laos), Harmony Gold Exploration (Papua New Guinea), and more recently as Exploration Manager for Flynn Gold Limited in Tasmania. Sean was a founding Director and Exploration Manager of private project generation companies Kingfisher Exploration Pty Limited (acquired by Flynn Gold Limited in 2020), and Georgina Resources Pty Ltd (acquired by CopperCorp Resources Inc. in 2020).

Sean is a Member of the Australian Institute of Geoscientists and the International Society of Economic Geologists. He is based in Tasmania, Australia.

Mr. Westbrook is engaged as a consultant and expects to devote 75% of his time to the affairs of the Company. Pursuant to the terms of Mr. Westbrook's consulting agreement with the Company, Mr. Westbrook is subject to certain non-disclosure and confidentiality provisions.

*Aaron Keay – Age 44, Director*

Mr. Keay is a founder of and has been the president and managing partner of Inform Capital Partners, a corporate finance advisory and merchant banking firm, from 2008 to present. Mr. Keay has been an investor, entrepreneur and financier to numerous small cap and start-up companies. His experience spans across multiple sectors in mining, biotech, health and wellness, tech, ESG, CPG and Cannabis where he has invested and raised over \$1 billion with and for these companies. During his time with these companies he has served as an advisor, board member and in some cases senior management.

Mr. Keay will devote the time necessary to perform the work required in connection with acting as a director of the Company. Mr. Keay, in his capacity as director of the Company, is not currently subject to the terms of any non-competition or non-disclosure agreement. Mr. Keay is neither an employee nor an independent contractor of the Company.

*Craig Roberts, P.Eng. – Age 63, Director*

Mr. Roberts is a mining engineer with over 35 years of operations, consulting, and investment banking experience. Mr. Roberts' knowledge includes work on feasibility studies for numerous mining projects worldwide, investment banking and due diligence roles in over 200 institutional equity financings. Mr. Roberts' significant experience includes advising management and boards on merger and acquisition transactions. Mr. Roberts currently serves as CEO and Director of New Found Gold Corp., Chairman and Director of Ethos Gold Corp., and as a director of K2 Gold, Nevada King Gold, and Global Battery Metals. Mr. Roberts has a degree in Mining Engineering from the University of British Columbia and an M.Phil. in Management Studies from Oxford University.

Mr. Roberts will devote the time necessary to perform the work required in connection with acting as a director of the Company. Mr. Roberts, in his capacity as director of the Company, is not currently subject to the terms of any non-competition or non-disclosure agreement. Mr. Roberts is neither an employee nor an independent contractor of the Company.

*Samuel Garrett – Age 55, Director*

Mr. Garrett has over 30 years of exploration management, project assessment and operational experience working for large multi-national and junior mining and exploration companies, including roles with Phelps Dodge Corporation and Cyprus Gold. Sam has worked in eleven countries covering a broad range of geological environments including IOCG and porphyry copper discovery credits. He is a specialist in copper and gold exploration with additional experience in iron ore, base metals and other specialist commodities. Highlights of Mr. Garrett's career include discovery credits for the Havieron prospect, now owned by AIM listed Greatland Gold (and subject to farm in by ASX listed Newcrest Mining Limited), the Tujuh Bukit gold-silver-copper mine in Indonesia currently operated by Merdeka Copper Gold, and the Mt Elliot copper mine in Queensland (Cyprus Gold). He was also the owner and developer of a successful industrial minerals mine in Queensland, Australia.

He holds a Bachelor of Science degree with First Class Honours in Geology and a Master of Economic Geology degree, both from the University of Tasmania. He also holds a Master of Applied Finance degree from Macquarie University in Australia. Mr. Garrett is a resident of Australia and is a Member of the Australian Institute of Company Directors (AICD), the Australian Institute of Geoscientists (AIG) and the Society of Economic Geologists (SEG).

Mr. Garrett will devote the time necessary to perform the work required in connection with acting as a director of the Company. Mr. Garrett, in his capacity as a director of the Company, is not currently subject to the terms of any non-competition or non-disclosure agreement. Mr. Garrett, through his company, Metal Ventures PTY Ltd., acts as an independent contractor to the Company through Georgina.

*Eoin Saadien – Age 50, Director*

Mr. Saadien has 25 years of experience in Capital Markets and has actively applied his experience in public and private markets to operational businesses. Mr. Saadien spent 12 years at Morgan Stanley's Investment Banking and Institutional Equities Divisions. He then joined a major family office based in Singapore as an Executive Vice President. In this role, Mr. Saadien was involved in the raising of capital for mining, oil & gas, technology and med-technology businesses in both the private and public markets. Additionally, he was integrally involved in two junior mining exploration companies, one focused on uranium and one focused on copper and gold. Mr. Saadien has also held directorships in both a commodities futures trading company and a trading company that specializes in trading physical copper and gold concentrates from producing mines. In addition, Mr. Saadien spent around 1.5 years as the Head of Capital for the Clermont Group in Singapore. He has a First Class Honours Business degree in Finance and International Business from Simon Fraser University in Canada.

Mr. Saadien will devote the time necessary to perform the work required in connection with acting as Non-Executive Chairman and director of the Company. Mr. Saadien, in his capacity as director of the Company, is not currently subject to the terms of any non-competition or non-disclosure agreement. Mr. Saadien is neither an employee nor an independent contractor of the Company.

#### **Cease Trade Orders**

No director or executive officer of the Company, is or has been, within the ten years preceding the date of this Prospectus, a director, CEO or CFO of any company that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, CEO or CFO; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

For the purposes of this Prospectus, an “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

#### **Bankruptcies**

No director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, within the ten years preceding the date of this Prospectus:

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

#### **Penalties or Sanctions**

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

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

#### **Personal Bankruptcies**

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

## Conflicts of Interest

There are no existing material conflicts of interest between the Company and any director or officer of the Company. Directors and officers of the Company may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, certain directors of the Company may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. In the event that such conflict of interest arises at a meeting of the Board, a director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such transaction.

The information as to ownership of securities of the Company, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Company individually in respect of himself or herself.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The executive compensation discussion below discloses compensation paid to the following individuals:

1. each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;
2. each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO;
3. in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs 1 and 2 above at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with Section 1.3(5) of Form 51-102F6V under NI 51-102, for that financial year; and
4. each individual who would be a named executive officer under paragraph 3 above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, as at the end of the most recently completed financial year,

(each, a “NEO”).

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board. The Company’s executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account.

As of the date of this Prospectus, the Company’s directors have not established any benchmark or performance goals to be achieved or met by the NEOs; however, such NEOs are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Company.

Payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm’s length services providers.



Table of Compensation excluding compensation securities							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Value of Perquisites (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Eoin Saadien <i>Director</i>	From the date of incorporation on July 21, 2020 to December 31, 2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Andrew Stewart <i>Former Director</i>	From the date of incorporation on July 21, 2020 to December 31, 2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

As at December 31, 2020, the Company owed \$11,250 to a director for an overpayment the director provided on a Company's private placement. See "Transactions with Related Parties" in the MD&A for the period from incorporation on July 21, 2020 to December 31, 2020 attached to this Prospectus as Appendix B for more information.

During the six months ended June 30, 2021, the Company paid and accrued to directors, officers and companies in which directors and officers are shareholders key management compensation in the aggregate amount of \$1,650,268, including \$1,535,893 in share-based compensation. During the period ended June 30, 2021, the Company incurred \$114,375 in management fees. From this amount, \$109,375 was included in management and consulting fees and \$5,000 was included in director fees in the condensed consolidated interim statement of loss and comprehensive loss. See "Transactions with Related Parties" in the MD&A for the six month period ended June 30, 2021 attached to this Prospectus as Appendix B for more information.

#### Stock options and other compensation securities

As at the date of this prospectus, there were 5,400,000 Options outstanding. For details regarding stock options previously granted by the Company, see "Options to Purchase Securities".

#### Exercise of Compensation Securities by Directors and NEOs

No director or NEO has exercised any compensation securities during the period from incorporation on July 21, 2020 to December 31, 2020.

#### Stock Option Plans and Other Incentive Plans

##### Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of Options, as a key component of the executive compensation package, is intended to enable the Company to attract and retain qualified executives. Option grants are based on the total number of Options available under the Stock Option Plan. In granting Options, the Board reviews the total of Options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding Options held by an executive will be taken into account when determining whether and how new Option grants should be made to the executive. The exercise periods will be set at the date of grant. The stock option grants may contain vesting provisions in accordance with the Company's Stock Option Plan.

As of the date hereof, the Company has granted 5,400,000 options to certain directors, officers and consultants. See “Options to Purchase Securities” above.

As of the date of this Prospectus, the Company does not have any other incentive plans other than the Stock Option Plan nor has the Company granted any other incentive awards to its directors and officers.

### **Employment, Consulting and Management Agreements**

Other than disclosed below, the Company has not entered into written employment or consulting agreements with any of its executive officers.

#### *Stephen Swatton – CEO and Director*

On June 1, 2021, the Company entered into an Executive Consulting Agreement with Lundy Management Ltd., (the “**Lundy Agreement**”) pursuant to which Lundy Management Ltd., through its principal Stephen Swatton, has agreed to provide certain management services to the Company, including, without limitation, acting as CEO of the Company (collectively, the “**Services**”). As consideration for the Services to be provided by Stephen Swatton, at this time the Company has agreed to pay Lundy Management Ltd. an annual consulting fee of \$112,500 plus applicable taxes. Pursuant to the Lundy Agreement, a signing bonus of \$100,000 was paid to Lundy Management Ltd. in May 2021 in connection with Mr. Swatton’s appointment as CEO.

The Lundy Agreement can be terminated by Mr. Swatton (i) without cause at any time on giving the Company not less than three months prior notice of such termination; and (ii) with cause in the event the Company commits a material breach of the agreement. The Lundy Agreement can be terminated by the Company (i) without cause at any time on giving notice to the consultant specifying the date of termination; and (ii) with cause at any time for just cause.

If the Lundy Agreement is terminated by the consultant with cause or by the Company without cause, the Company will pay the consultant severance in an amount equal to one year of the consultant’s base salary in effect at the time of termination.

The consultant may terminate the Lundy Agreement at any time upon the occurrence of a change of control. In the event of termination by the consultant pursuant to a change of control the Company will pay an amount equal to two years of the consultant’s base salary at the date of termination and any unvested stock options will immediately vest to the consultant.

#### *Sean Westbrook – VP Exploration*

On June 1, 2021, the Company entered into an Executive Consulting Agreement with Oretex Pty Ltd., pursuant to which Oretex Pty Ltd., through its principal Sean Westbrook, has agreed to provide certain management services to the Company, including, without limitation, acting as VP of Exploration of the Company. As consideration for such services to be provided by Sean Westbrook, the Company has agreed to pay Oretex Pty Ltd. a monthly consulting fee of AUD\$13,750 plus applicable taxes.

### **Oversight and description of director and NEO compensation**

The objectives of the Company’s compensation policies and procedures are to align the interests of the Company’s directors and NEOs with the interests of the shareholders of the Company. The Company intends to rely on Board discussion without a formal agenda for objectives, criteria and analysis, when determining compensation for the Company’s directors and NEOs. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a “peer group” to determine compensation.

The Board has a Compensation Committee (as defined below). As such, all tasks related to developing and monitoring the Company’s approach with respect to the compensation of the directors and officers of the Company are performed by the members of the Compensation Committee. Compensation for the Company’s directors and NEOs is reviewed, recommended and approved by the Compensation Committee. The Company may also form a nomination committee to oversee the nomination of directors in the future.

## Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to NEOs at, following, or in connection with retirement.

## Proposed Compensation to be paid to Executive Officers

The Company has allocated \$693,450 for management fees <sup>(1)</sup> for the twelve-month period following completion of the Offering. See “Use of Proceeds” and “Executive Compensation” for more information. As of the date of this Prospectus, the Company does not have any intention to make any material changes to the compensation of the Company’s directors.

<sup>(1)</sup> Of the \$693,450, approximately \$186,750 is allocated for the remuneration of the CEO of the Company; \$161,700 is allocated for the remuneration of the VP Exploration; \$33,175 is allocated for the remuneration of the Company’s Exploration Manager; \$119,825 is allocated for a proposed officer; \$132,000 is allocated for Director fees; and \$60,000 is allocated for the remuneration of the Corporate Secretary.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not, as of the date of this Prospectus, nor has there been since the Company’s incorporation on July 21, 2020, any indebtedness of any director, executive officer, senior officer or employee or any former director, executive officer, employee or senior officer, or any associate of any of the foregoing, to, or guaranteed or supported by, the Company, either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

## AUDIT COMMITTEE

### Audit Committee

The Audit Committee’s role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-110F1 require the Company to disclose certain information relating to the Company’s Audit Committee and its relationship with the Company’s independent auditors.

### Audit Committee Charter

Pursuant to NI 52-110, the Company’s Audit Committee is required to have a charter. The full text of the Company’s Audit Committee Charter is attached as Appendix “C” to this Prospectus.

### Composition of Audit Committee

The members of the Company’s Audit Committee are:

Craig Roberts (Chairman)	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Aaron Keay	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Stephen Swatton	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

<sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. Under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of the issuer, is considered to have a material relationship with the issuer.

<sup>(2)</sup> An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

A majority of the members of the Audit Committee of the Company are not executive officers, employees or control persons of the Company or of an affiliate of the Company.

All of the audit committee members are “financially literate”, as defined in NI 52-110, as all of the audit committee members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

### **Relevant Education and Experience**

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

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

For a summary of the experience and education of the Audit Committee members see “*Biographical Information*”.

### **Audit Committee Oversight**

At no time since incorporation was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board.

### **Reliance on Certain Exemptions**

At no time since incorporation has the Company relied on the exemptions in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-Audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company’s Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

### **Pre-Approval Policies and Procedures**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis, as applicable. It is not anticipated that the Company will adopt specific policies and procedures.

## External Auditor Service Fees

The aggregate fees billed by the external auditors to the Company for the period from incorporation on July 21, 2020 to December 31, 2020 were:

Audit Fees <sup>(1)</sup>	Audit-Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
\$23,500	Nil	Nil	Nil

<sup>(1)</sup> "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

<sup>(2)</sup> "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

<sup>(3)</sup> "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

<sup>(4)</sup> "All Other Fees" include all other non-audit services.

## Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## CORPORATE GOVERNANCE

### Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Company's corporate governance practices are summarized below.

#### *Board of Directors*

The Board is currently comprised of three members. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgment. Stephen Swatton is not an independent director because of his position as an executive officer of the Company.

#### *Directorships*

Certain of the Company's directors are also currently directors of other reporting issuers as follows:

Name	Reporting Issuer	Market	Position	From	To
Stephen Swatton	K2 Gold Corporation	TSXV	CEO and Director	June 2016	Present
Samuel Garrett	Flynn Gold Limited	ASX	Director	July 2021	Present

Name	Reporting Issuer	Market	Position	From	To
Craig Roberts	Ethos Gold Corp.	TSXV	Chairman, Director	April 2016	Present
	K2 Gold Corporation	TSXV	Director	April 2016	Present
	Global Battery Metals Ltd.	TSXV	Director	August 2016	Present
	Nevada King Gold Corp.	TSXV	Director	January 2019	Present
	New Found Gold Corp.	TSXV	CEO and Director	December 2019	Present

#### *Orientation and Continuing Education*

The Board provides an overview of the Company's business activities, systems and business plan to all new directors. New directors have access to the Company's records and management in order to conduct their own due diligence and are briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines, and existing policies of the Company. The directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

#### *Ethical Business Conduct*

The Board believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders. Generally, the Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interest of the Company.

The Board is also responsible for applying governance principles and practices, tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to, such other procedures and remedies as applicable under the BCBCA.

#### *Nomination of Directors*

The Board has not formed a nominating committee or similar committee to assist the Board with the nomination of directors for the Company. The Board considers itself too small to warrant creation of such a committee; however, each of the directors has contacts he can draw upon to identify new members of the Board as needed from time to time.

The Board will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board.

#### *Compensation*

The Board reviews the compensation of its directors and executive officers annually. The directors will determine compensation of directors and executive officers taking into account the Company's business ventures and the Company's financial position. See "*Executive Compensation*".

#### *Other Board Committees*

The Board has the following committees other than the Audit Committee.

#### *Compensation Committee*

The Board has a compensation committee (the “**Compensation Committee**”) consisting of Eoin Saadien (Chair), Aaron Keay and Craig Roberts. All tasks related to developing and monitoring the Company’s approach to the compensation of the Company’s NEOs and directors are performed by the Compensation Committee in consultation with the Board. The compensation of the NEOs, directors and the Company’s employees or consultants, if any, is reviewed, recommended and approved by the Compensation Committee in consultation with the Board.

#### *Assessments*

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company’s small size and the Company’s stage of development, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an *ad hoc* basis.

The Board does not formally assess the performance or contribution of individual Board members or committee members.

### **PLAN OF DISTRIBUTION**

#### **Offering**

Under the Agency Agreement, the Company has appointed the Agent, on a best efforts basis, to offer for sale to the public in each of the Provinces of British Columbia, Alberta and Ontario up to 10,000,000 Common Shares (up to 11,500,000 Common Shares if the Greenshoe Option is exercised in full by the Agent) at a price of \$0.50 per Common Share for gross proceeds of up to \$5,000,000 (\$5,750,000 if the Greenshoe Option is exercised in full by the Agent). The issue price of \$0.50 per Common Share was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange.

No minimum amount of funds must be raised under the Offering. This means that the Company could complete the Offering after raising only a small proportion of the offering amount set out above.

Subscriptions for Common Shares will be received subject to rejection or allotment in whole or in part and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a Receipt is issued or if a Receipt has been issued for an amendment to this Prospectus, within 90 days of issuance of such Receipt and in any event not later than 180 days from the date of Receipt. It is expected that share certificates evidencing the Common Shares will be available for delivery on the Closing unless the Agent elects for delivery in electronic book entry form through CDS or its nominee. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares are purchased.

There is currently no market through which any of the securities of the Company, including the Common Shares, may be sold, and purchasers and holders thereof may not be able to resell or dispose of any of the Common Shares purchased, distributed or qualified under this prospectus.

The Company has agreed to indemnify the Agent and its directors, officers, employees, shareholders and agents against all liabilities arising directly or indirectly from the Agency Agreement. Notwithstanding the above, the indemnity does not include claims arising from gross negligence, dishonesty, or willful misconduct of the Agent.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent’s discretion upon the occurrence of certain stated events. The Agent is not obligated to purchase any of the Common Shares under the Offering.

#### **Agent’s Commission**

The Company has agreed to pay the Agent the Agent’s Commission equal to 6.0% of the total gross proceeds of the Offering, subject to a reduced fee equal to 2.0% for Common Shares sold to certain purchasers on the President’s List. In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with the Offering, towards which it has paid the Due Diligence Deposit of \$15,000 (without GST) from which those expenses are to be

deducted. The Company has also agreed to pay the Agent the Corporate Finance Fee of \$25,000 plus applicable GST of which \$10,000 has been paid, with the remaining \$15,000 payable at the Closing.

In addition to the Corporate Finance Fee, the Company has agreed to pay the Agent \$25,000 in Corporate Finance Securities by the issuance of 50,000 Common Shares at the Offering Price. The issuance of the Corporate Finance Securities is qualified under this Prospectus.

### **Greenshoe Option**

The Company has granted to the Agent the Greenshoe Option, exercisable by the Agent for a period of up to thirty days from the date of Closing, to purchase up to an additional 15% of the number of Common Shares sold under the Offering at the Offering Price solely to cover over-allotments, if any. The grant of the Greenshoe Option and the distribution of the Common Shares issued or sold pursuant to the exercise of the Greenshoe Option are qualified for distribution under this Prospectus.

### **Listing of Common Shares on the Exchange**

The Company has applied to list the Common Shares on the Exchange. Listing of the Common Shares is subject to the Company fulfilling all of the listing requirements of the Exchange.

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

## **RISK FACTORS**

*An investment in the Common Shares is considered to be speculative due to the nature of the Company's business and the present stage of its development. The following risk factors, as well as risks not currently known to the Company could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from estimates described in forward-looking statements relating to the Company. A prospective investor should carefully consider the risk factors set out below.*

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

*The Company is in the business of exploring mineral properties, which is a highly speculative endeavor.*

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

### **Insufficient Capital**

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

### **No Established Market**

The Company has applied to list the securities distributed under this Prospectus on the Exchange. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange. There is currently no market through which the Company's securities may be sold and purchasers may not be able to resell the Common Shares purchased under this Prospectus. Even if a market develops, there is no assurance that the price of the Common Shares offered under this Prospectus, which was determined through negotiations between the Company and the Agent, will reflect the market price of the Common Shares once a market has developed. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the Offering Price.

### **Limited Operating History**

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

### **Lack of Operating Cash Flow**

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

### **Resale of Common Shares**

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

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

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of Common Shares distributed hereunder will be affected by such volatility.

### **Property Interests**

The Company holds an exploration license with respect to the Property. There is no guarantee the Company will be able to raise sufficient funding in the future to explore and develop the Property. There is a minimum annual expenditure and annual rent in order to maintain the License in good standing. If the Company loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the Property

could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

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

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs at the Property will result in the definition of bodies of commercial mineralization. The discovery of bodies of commercial mineralization is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. Most of the above factors are beyond the Company's control.

#### **Exploration, Development and Production Risks**

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base.

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, 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 mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of 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 remoteness and restrictions on access of properties in which the Company has an interest will have an adverse effect on profitability as a result of higher infrastructure costs. There are also physical risks to the exploration personnel working in the terrain in which the Company's properties will be located, often in poor climate conditions.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its properties and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

## **Mineral Resources and Reserves**

Because the Company has not defined or delineated any inferred or indicated resources or any proven or probable reserves on any of its properties, mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Unless otherwise indicated, mineralization figures presented in this Prospectus are based upon estimates made by the Company, personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis which may prove to be unreliable. There can be no assurance that these estimates will be accurate; resource or other mineralization figures will be accurate; or such mineralization could be mined or processed profitably.

## **Obtaining and Renewing Licenses and Permits**

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Property. Obtaining or renewing the necessary governmental licenses or permits is a complex and time consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from the Property. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

## **No Assurances**

There is no assurance that economic mineral deposits will ever be discovered, or if discovered, subsequently put into production. Most exploration activities do not result in the discovery of commercially mineable deposits. The Company's future growth and profitability will depend, in part, on its ability to identify and expand its mineral reserves through additional exploration of the Property and on the costs and results of continued exploration and development programs. Mineral exploration is highly speculative in nature, involves many risks and frequently is not productive. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any anticipated level of recovery of mineral reserves will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. There can be no assurance that the Company's exploration efforts at the Property will be successful.

## **Title Risks**

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

## **Uninsurable Risks**

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

### **Additional Funding Requirements**

The exploration and development of the Property will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favorable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the copper and gold industries in particular), the Company's status as a new enterprise with a limited history, the location of the Property, the price of commodities and/or the loss of key management personnel. Further, if the price of copper, gold and other metals on the commodities markets decreases, then potential revenues from the Property will likely decrease and such decreased revenues may increase the requirements for capital. Failure to obtain sufficient financing will result in a delay or indefinite postponement of development or production at the Property.

### **Dilution**

Shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into Common Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company may issue additional Common Shares from time to time pursuant to Common Share purchase warrants and the options to purchase Common Shares issued from time to time by the Board. The issuance of these Common Shares could result in dilution to holders of Common Shares.

### **Environmental Risks**

All phases of the Company's operations with respect to the Property will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for non-compliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact the Company's operations and future potential profitability. In addition, environmental hazards may exist on the Property that are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

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

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

The trend in any country in environmental legislation and regulation generally is toward stricter standards.

## **Regulatory Requirements**

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

Any future changes in government regulation and policy will likely result in stricter standards applied to the mining industry in general and the Company specifically. Such changes are out of the Company's control.

## **Volatility of Mineral Prices**

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

## **Currency Risks**

Currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in United States dollars.

## **Offering Price**

The Offering Price of the Common Shares has been determined by the Board through negotiation with the Agent, yet may not be indicative of the value of the Common Shares after the Offering. The value of the Common Shares could be subject to significant fluctuations in response to variations in quarterly and yearly operating results, the success of the Company's business strategy, competition or other applicable regulations which may affect the business of the Company and other factors. These fluctuations may affect the value of the Common Shares.

## **Infrastructure**

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

## **Risks Associated with Acquisitions**

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

### **Executive Employee Recruitment and Retention**

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

### **Adverse General Economic Conditions**

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral exploration sector, were impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets, a lack of market liquidity, natural disasters, public health crisis (such as the current global outbreak of a novel coronavirus, "COVID-19") and other events outside of the Company's control. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and the Company's overall liquidity, the volatility of mineral prices would impact the Company's prospects, volatile energy, commodity and consumables prices and currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of the Company's equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

In recent years, the securities markets in Canada, as well as in other countries around the world, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected by market volatility. An active public market for the Common Shares might not develop or be sustained. If an active public market for the Common Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Common Shares may decline.

### **COVID-19 Coronavirus Pandemic**

While the outbreak of COVID-19 has not caused material disruptions to the Company's business, it may yet cause disruptions to the Company's business and operations plans. A future wave of COVID-19 in Tasmania may result in further disruptions due to: (i) restrictions that governments and communities impose to address the COVID-19 global pandemic; (ii) restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others; (iii) shortages of employees and/or unavailability of contractors and subcontractors; (iv) interruption of supplies from third-parties upon which the Company relies; and/or (v) delays in obtaining government permits and issue of licenses. Further, it is presently not possible to predict the extent or durations of these disruptions. These disruptions may have a material adverse effect on the Company's business, financial condition and results of operations, which could be rapid and unexpected. These disruptions may severely impact the Company's ability to carry out its business plans for 2021.

The number of COVID-19 cases in Tasmania has been low compared to other states in Australia and other jurisdictions around the world. To date, Tasmania has reported fewer than 300 total COVID-19 cases and for a total population of over 517,000 people. The success of the COVID-19 vaccination program of Tasmania and Australia in general and the rate of vaccination of the Tasmanian population may impact the likelihood of additional restrictions, curfews and travel

restrictions. To date, over 81% of the Australian population over the age of 16 has received at least one dose of a COVID-19 vaccine and over 59% over the age of 16 has received two doses. To date, over 78% of the Tasmanian population over the age of 16 has received at least one dose of a COVID-19 vaccine and over 62% over the age of 16 has received two doses (Source: <https://www.health.gov.au/>).

### **Force Majeure**

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

### **Uncertainty of Use of Proceeds**

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

### **Competition**

All aspects of the Company's business will be subject to competition from other parties. Many of the Company's competitors for the acquisition, exploration, production and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

### **Conflicts of Interest**

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

### **Dividends**

To date, the Company has not paid any dividends on their outstanding shares. Any decision to pay dividends on the shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

### **Reporting Issuer Status**

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

The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

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

### **Tax Issues**

Income tax consequences in relation to the Common Shares will vary according to the circumstances by each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisors prior to subscribing for Common Shares.

### **Operating Hazards, Risks and Insurance**

The ownership, exploration, operation and development of a mine or mineral property involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on Company property, and punitive awards in connection with those claims and other liabilities.

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 an increase in costs and a decline in value of our securities. Liabilities that the Company incurs may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event the Company could incur significant costs that could adversely impact its business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses. These could include loss or forfeiture of mineral interests or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by personnel.

### **PROMOTERS**

Stephen Swatton, CEO of the Company, has assisted in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Swatton owns 892,857 Common Shares which represent 1.59% of the Common Shares outstanding prior to giving effect to the Offering.

See "*Principal Securityholders*", "*Directors and Executive Officers*" and "*Executive Compensation*" for more information on Mr. Swatton.

### **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since its incorporation on July 21, 2020, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since its incorporation on July 21, 2020; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with any securities regulatory authority since its incorporation on July 21, 2020.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this Prospectus, none of the directors or executive officers of the Company, and no associate or affiliate of the foregoing, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

## RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a related issuer to the Agent or a connected issuer to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*). Members of the professional group of the Agent hold in the aggregate 335,500 Common Shares and 167,750 warrants to purchase Common Shares of the Company or 0.60% of the issued and outstanding Common Shares (on an undiluted basis) as of the date of this Prospectus. Upon closing of the Offering, the members of the professional group of the Agent would hold 0.51% of the issued and outstanding Common Shares (on an undiluted basis).

## AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Davidson & Company LLP, Chartered Professional Accountants, located at 1200-609 Granville Street, Vancouver, BC V7Y 1G6.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company, located at 323 – 409 Granville Street, Vancouver, BC, V6C 1T2.

## MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Company as of the date hereof, or which will be entered into prior to the Closing and which are regarded presently as material are:

1. Georgina Purchase Agreement dated November 9, 2020 among the Company, Georgina and the Georgina Vendors. See *“General Development of the Business”*.
2. Financing Agreement dated November 9, 2020 between the Company and the Georgina Vendors. See *“General Development of the Business”*.
3. Voluntary Escrow Agreements dated April 13, 2021 among the Company, the Voluntary Escrow Agent, and the Voluntary Escrow Securityholders. See *“Escrowed Securities”*.
4. Stock Option Plan adopted May 14, 2021. See *“Options to Purchase Securities”*.
5. Transfer Agent Agreement dated May 26, 2021 between the Company and the Transfer Agent.
6. CEO Consulting Agreement dated June 1, 2021 between the Company and Lundy Management Ltd. on behalf of Stephen Swatton. See *“Executive Compensation”* and *“Employment, Consulting and Management Agreements”*.
7. VP Exploration Consulting Agreement dated June 1, 2021 between the Company and Oretex PTY Ltd. on behalf of Sean Westbrook. See *“Executive Compensation”* and *“Employment, Consulting and Management Agreements”*.
8. Escrow Agreement dated November 10, 2021 entered into among the Company, the Escrow Agent, and the Escrow Securityholders. See *“Escrowed Securities”*.
9. Agency Agreement dated November 10, 2021 entered into between the Company and the Agent. See *“Plan of Distribution”*.
10. TSXV Form 5D Value Security Escrow Agreement dated November 10, 2021 entered into among the Company, the Escrow Agent, and certain of the Company’s shareholders.

## **EXPERTS**

Information relating to the Property in this Prospectus and the documents incorporated by reference herein and therein has been derived from reports, statements, or opinions prepared or certified by Tim Callaghan, BSc (Hons), M. Econ. Geol. MAusIMM. MAIG, an independent consulting geologist (previously defined as the “**Author**”), and this information has been included in reliance on such person’s expertise. The Author is a “qualified person” as such term is defined in NI 43-101.

The audited financial statements included in this Prospectus have been subject to audit by Davidson & Company LLP, and their audit report is included herein. Davidson & Company LLP is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

None of the foregoing persons or companies have held, received or are to receive, any registered or beneficial interest, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter.

## **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 particular rights of withdrawal and rescission applicable.

## **FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the period from incorporation on July 21, 2020 to December 31, 2020 and the unaudited consolidated financial statements of the Company for the six months ended June 30, 2021 are attached as Appendix “A” to this Prospectus.

A-1

**APPENDIX A**

**FINANCIAL STATEMENTS**

*[See Attached]*

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**

**CONSOLIDATED FINANCIAL STATEMENTS**

**For the period from incorporation on July 21, 2020 to December 31, 2020**

**(Expressed in Canadian Dollars)**

## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
CopperCorp Resources Inc.

### *Opinion*

We have audited the accompanying consolidated financial statements of CopperCorp Resources Inc. (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the period from incorporation on July 21, 2020 to December 31, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the period from incorporation on July 21, 2020 to December 31, 2020 in accordance with International Financial Reporting Standards ("IFRS").

### *Basis for Opinion*

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

### *Other Information*

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

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

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



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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Alyson Neil.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

November 10, 2021

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
 (Expressed in Canadian Dollars)  
 AS AT

December 31,  
2020

**ASSETS**

**Current**

Cash	\$ 6,152,979
GST receivable	4,953
	<u>6,157,932</u>

**Non-current**

Exploration and evaluation assets (Note 4)	<u>511,562</u>
--	----------------

Total assets	<u>\$ 6,669,494</u>
--------------	---------------------

**LIABILITIES AND SHAREHOLDERS' EQUITY**

**Current**

Accounts payable and accrued liabilities (Note 6)	<u>\$ 41,498</u>
---	------------------

**Shareholders' equity**

Share capital (Note 5)	6,698,717
Deficit	<u>(70,721)</u>

6,627,996

\$ 6,669,494

**Nature and continuance of operations** (Note 1)

**Subsequent events** (Note 11)

**Approved and authorized by the Board on November 10, 2021.**

"Stephen Swatton"

Director

"Craig Roberts"

Director

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

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)

	From incorporation on July 21, 2020 to December 31, 2020
<b>EXPENSES</b>	
Bank charges and interest	\$ 918
Evaluation and exploration expenditures	26,757
Foreign exchange	2,147
Listing and filing fees	590
Management and consulting fees	16,109
Office and miscellaneous	4,344
Professional fees	19,856
	<u>(70,721)</u>
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (70,721)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding, basic and diluted</b>	<b>14,051,002</b>

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

**COPPERCORP RESORUCES INC. (Formerly 1258168 BC LTD.)**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian Dollars)  
AS AT

	<u>Share Capital</u>			
	Shares	Amount	Deficit	Total
<b>Balance, July 21, 2020 (incorporation)</b>	-	\$ -	\$ -	\$ -
Shares issued on incorporation	2	-	-	-
Shares issued for property acquisition	10,300,000	463,500	-	463,500
Shares issued for private placements	33,928,023	6,452,587	-	6,452,587
Share issue costs – cash	-	(217,370)	-	(217,370)
Loss for the period	-	-	(70,721)	(70,721)
<b>Balance, December 31, 2020</b>	<b>44,228,025</b>	<b>\$ 6,698,717</b>	<b>\$ (70,721)</b>	<b>\$ 6,627,996</b>

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

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Expressed in Canadian Dollars)

	From incorporation on July 21, 2020 to December 31, 2020
<b>OPERATING ACTIVITIES</b>	
Loss for the period	\$ (70,721)
Items not involving cash:	
Changes in non-cash working capital items:	
GST receivable	(1,338)
Accounts payable and accrued liabilities	26,498
Cash used in operating activities	<u>(45,561)</u>
<b>INVESTING ACTIVITIES</b>	
Acquisition of Georgina	<u>(51,677)</u>
Cash used in investing activities	<u>(51,677)</u>
<b>FINANCING ACTIVITIES</b>	
Proceeds from issuance of share capital	6,452,587
Share issue costs	<u>(202,370)</u>
Cash provided by financing activities	<u>6,250,217</u>
<b>Change in cash for the period</b>	6,152,979
<b>Cash, beginning of period</b>	<u>-</u>
<b>Cash, end of period</b>	<u>\$ 6,152,979</u>
<b>Significant non-cash transactions:</b>	
Shares issued for property acquisition	\$463,500
Share issue costs included in accounts payable and accrued liabilities	<u>15,000</u>
<b>Cash paid for:</b>	
Taxes	\$Nil
Interest	<u>\$Nil</u>

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

**1. NATURE AND CONTINUANCE OF OPERATIONS**

CopperCorp Resources Inc. (the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on July 21, 2020. The Company changed its name to CopperCorp Resources Inc. on April 28, 2021. The Company's head office address and its registered and records office address is at Suite 800 – 885 West Georgia Street, Vancouver, BC, V6C 3H1. The Company is a mineral exploration company with interests in mineral properties in Australia.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence are dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Management estimates that the Company will be able to meet its obligations and to sustain operations for at least the next twelve months.

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

The consolidated financial statements were approved by the Board of Directors on November 10, 2021.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. To date, there have been no adverse effects on the Company's business or ability to raise funds.

## **2. BASIS OF PRESENTATION**

### a) Basis for measurement

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

### b) Basis of consolidation

These consolidated financial statements include the financial statements of CopperCorp Resources Inc. (Formerly 1258168 BC Ltd.) and its wholly owned subsidiary Georgina Resources Pty Ltd. incorporated in Australia. All intercompany transactions and balances have been eliminated upon consolidation.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

### a) Accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss/income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

#### *Critical estimates*

##### Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

##### Carrying value and recoverability of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets do not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development and upon future profitable production or proceeds from the disposition of the mineral property interests themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
NOTES TO THE FINANCIAL STATEMENTS  
(Expressed in Canadian Dollars)  
December 31, 2020

---

assessment as to the overall viability of its mineral property interests or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

b) Reporting and functional currencies

The Company's reporting currency and the functional currency of all of its operations, including that of its subsidiaries, is the Canadian dollar. Transactions in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. At each statement of financial position date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when acquired. All gains and losses on translation of these foreign currency transactions are included in the statement of loss.

c) Cash

Cash consists of balances on deposit bank accounts, which are readily convertible into known amounts of cash and which are subject to minimal risks of changes in fair value.

d) Exploration and evaluation assets

Costs related to the acquisition of exploration and evaluation assets are capitalized by property until the commencement of commercial production. Exploration and evaluation costs are recognized in profit or loss. Costs incurred before and after the Company has obtained the legal rights to explore an area of interest are recognized in profit or loss until such time the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, after which such costs are capitalized. Upon achieving production, costs for a producing property will be amortized on a unit of-production method based on the estimated life of the ore reserves. The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof.

e) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its long lived assets to determine whether there is an indication that those assets have suffered impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment charge (if any).

The recoverable amount used for this purpose is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assignments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its recorded amount, the recorded amount of the asset is reduced to its recoverable amount. An impairment charge is recognized immediately in the statement of loss and comprehensive loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

f) Reclamation obligations

Liabilities related to environmental protection and reclamation costs are recognized when the obligation is incurred and the fair value of the related costs can be reasonably estimated. This includes future site restoration and other costs as required due to environmental law or contracts. As at December 31, 2020, there were no reclamation obligations.

g) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares and share warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company uses the residual approach when allocating the fair value of the share purchase warrants issued in conjunction with the offering of units through a private placement. The Company determines the fair value of the common share and the residual value is allocated to the share purchase warrant for unit offerings that contain a common share and a share purchase warrant.

h) Comprehensive income or loss

Other comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources. Comprehensive income comprises net income or loss and other comprehensive income or loss. For the period from incorporation on July 21, 2021 to December 31, 2020, net loss and comprehensive loss were the same.

i) Share-based payments

The Company applies the fair value method of accounting for all stock option awards. Under this method, compensation expense attributed to the award of options to employees is measured at the fair value of the award on the date of grant and is recognized over the vesting period of the award. Share-based payments to non-employees are valued based on the fair value of the service received, if reliably determinable, otherwise based on the fair value of the award granted. Valuation is calculated based on the date at which the Company receives the service. If and when the stock options are ultimately exercised, the applicable amounts of other equity reserves are transferred to capital stock.

The fair value of instruments granted is measured using the Black-Scholes Option Pricing Model, taking into account the terms and conditions under which the instruments are granted. The fair value of the awards is adjusted by an estimate of the number of awards that are expected to vest as a result of non-market conditions. At each statement of financial position date, the Company revises its estimates of the number of options that are expected to vest based on the non-market conditions including the impact of the revision to original estimates, if any, with corresponding adjustments to equity.

j) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they revert, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority for the same taxable entity. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

k) Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The number of additional shares is calculated by assuming that outstanding share options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. Common share equivalents have been excluded from the computation of diluted loss per share for the years presented as including them would have been antidilutive.

l) Financial instruments

Classification

Financial assets are classified at initial recognition as either: measured at amortized cost, Fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVTOCI"). The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

Fair value through profit or loss ("FVTPL") – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise.

Fair value through other comprehensive income ("FVTOCI") - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial liabilities are measured at amortized cost unless they are required to be measured at FVTPL or the Company has opted to measure at FVTPL.

Measurement

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

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost less any impairment.

Impairment

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with financial assets measured at amortized cost, contract assets and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an

allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

m) New accounting standards and interpretations adopted during the year

As at December 31, 2020, there are no new standards that have not yet been adopted that will materially impact the presentation of the consolidated financial statements.

#### **4. ACQUISITION OF GEORGINA**

On November 9, 2020, the Company closed a transaction, whereby the Company acquired a 100% interest in Georgina Resources Pty Ltd. (“Georgina”) that holds the rights to the Alpine Project and to the Skyline Project in Australia subject to a 1.5% net smelter return royalty to Georgina vendors which can be repurchased for \$3,000,000 by the Company. The acquisition has been accounted for as an acquisition of assets.

The aggregate purchase consideration for the acquisition consists of the Company issuing 10,300,000 common shares of the Company. The purchase price allocation is as follows:

Shares	463,500	[i]
Transaction costs	64,443	
<b>Total</b>	<b>527,943</b>	
Cash	12,766	
Recoverable taxes	3,615	
Evaluation and exploration assets	511,562	
<b>Total transaction price</b>	<b>527,943</b>	

[i] The Company issued 10,300,000 common shares on November 9, 2020 as per share purchase agreement.

#### **5. SHARE CAPITAL**

a) Authorized share capital: Unlimited number of common shares, without par value.

Issued share capital:

As at December 31, 2020, the Company had 44,228,025 shares issued and outstanding.

On October 23, 2020, the Company issued 2 incorporation shares.

On October 23, 2020, the Company completed a private placement unit financing of 16,827,776 common shares at \$0.045 per unit, for gross proceeds of \$757,250.

On October 30, 2020, the Company completed a private placement unit financing of 950,000 common shares at \$0.045 per unit, for gross proceeds of \$42,750.

On November 9, 2020, the Company issued 10,300,000 common shares with a fair value of \$463,500 pursuant to the share purchase agreement (Note 4).

On November 20, 2020, the Company completed a private placement unit financing of 6,345,362 common shares at \$0.35 per unit, for gross proceeds of \$2,220,877. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until November 20, 2022.

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Expressed in Canadian Dollars)  
December 31, 2020

On December 3, 2020, the Company completed a private placement unit financing of 9,804,885 units at \$0.35 per unit, for gross proceeds of \$3,431,710. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until December 3, 2022.

In connection with financings completed during the year ended December 31, 2020, the Company incurred cash finders' fees of \$217,370, recorded as share issue costs.

b) Warrants

Details of share purchase warrants are as follows:

	Number of Warrants		Weighted Average Exercise Price
Outstanding as at July 21, 2020 (incorporation)	-	\$	-
Issued	8,075,124	\$	0.75
Outstanding as at December 31, 2020	8,075,124	\$	0.75

As at December 31, 2020, the outstanding share purchase warrants were as follows:

Number of Warrants	Exercise Price	Expiry Date	Weighted average (remaining life in years)
3,172,681	\$0.75	November 20, 2022	1.89
4,902,443	\$0.75	December 3, 2022	1.92
8,075,124	\$0.75		1.91

c) Stock options

As at December 31, 2020, the Company had no outstanding stock options and there was no stock option activity for the period from incorporation on July 21, 2020 to December 31, 2020.

**6. RELATED PARTY TRANSACTIONS**

**Key management personnel**

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

There was no key management remuneration during the period from incorporation on July 21, 2020 to December 31, 2020.

The balance payable to related parties at December 31, 2020 was \$11,250. These payables are generally unsecured, non-interest bearing and are expected to be repaid under normal trade terms.

## 7. FINANCIAL INSTRUMENTS

### Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Cash is carried at fair value using a Level 1 fair value measurement. The recorded values of GST receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short-term to maturities which is the amount presented on the statement of financial position.

### *Financial risk factors*

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

### *Credit risk*

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and GST receivable due from the Government of Canada. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company believes its credit risk with respect to GST receivable is minimal.

### *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had a working capital balance of \$6,116,434.

### *Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institution is subject to floating rates of interest. The interest rate risk on cash is not considered significant.

### *Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities, denominated in Australian dollars. A 10% fluctuation between the Canadian dollar against the Australian dollar would impact profit or loss by approximately \$5,400.

### *Price risk*

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

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Expressed in Canadian Dollars)  
December 31, 2020

**8. CAPITAL MANAGEMENT**

Capital is comprised of the Company's shareholders' equity. As at December 31, 2020, the Company's shareholders' equity was \$6,627,996 and there was no long-term debt outstanding. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. The Company currently is not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the period.

**9. SEGMENT INFORMATION**

The Company operates in one reportable segment, being funding of companies operating in the junior mining sector located in Australia. All of the Company's exploration and evaluation assets are located in Australia.

**10. INCOME TAXES**

	<b>Year Ended December 31, 2020</b>
Loss before income taxes	(70,721)
Statutory Canadian federal and provincial tax rates	27%
Expected tax (recovery)	(19,000)
Share issue cost	(59,000)
Change in unrecognized deductible temporary differences	78,000
Deferred income tax recovery	-

The tax effects on the temporary differences that give rise to the Company's deferred tax assets and liabilities are as follows:

	<b>2020</b>
Non-capital losses	\$ 25,000
Share issuance costs	53,000
	78,000
Unrecognized deferred tax assets	(78,000)
Net deferred tax liability	\$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have been included on the statement of financial position are as follows:

	<b>2020</b>	<b>Expiry Date Range</b>
Temporary differences		
Share issuance costs	198,000	2041 to 2045
Non-capital losses	89,000	2041
Canada	50,000	2041
Australia	53,000	Indefinite

Tax attributes are subject to review and potential adjustment by tax authorities.

## **11. SUBSEQUENT EVENTS**

On January 14, 2021, the Company completed a private placement unit financing of 300,714 common shares at \$0.35 per share, for gross proceeds of \$105,250. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until January 14, 2023. In connection with this financing, the Company incurred cash finders' fees of \$28,364, recorded as share issue costs.

On May 25, 2021, the Company engaged Haywood Securities Inc. to act as lead agent for the Company in connection with the proposed Initial Public Offering ("IPO") of securities of the Company and concurrent listing of the common shares in the capital of the Company on the TSX Venture Exchange. Under the terms of the IPO the Company will issue 10,000,000 common shares of the Company at a price of \$0.50 for gross proceeds of \$5,000,000.

On June 8, 2021, the Company completed a private placement unit financing of 6,610,912 common shares at \$0.35 per share, for gross proceeds of \$2,313,819. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until June 8, 2023.

On June 8, 2021, the Company completed a private placement unit financing of 5,035,714 common shares at \$0.045 per share, for gross proceeds of \$226,607.

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**For the Three and Six Months Ended June 30, 2021**

**Expressed in Canadian Dollars**

**(Unaudited – prepared by management)**

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars) Unaudited – prepared by management

	June 30, 2021	December 31, 2020
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 7,670,856	\$ 6,152,979
GST receivable	35,350	4,953
Prepaid expenses	24,034	-
	<u>7,730,240</u>	<u>6,157,932</u>
<b>Non-current</b>		
Exploration and evaluation assets (Notes 4 and 8)	511,562	511,562
Equipment (Note 6)	46,800	-
	<u>558,362</u>	<u>-</u>
Total assets	<u>\$ 8,288,602</u>	<u>\$ 6,669,494</u>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>Current</b>		
Accounts payable and accrued liabilities (Notes 5 and 9)	178,305	\$ 41,498
<b>Shareholders' equity</b>		
Share capital (Note 7)	9,256,029	6,698,717
Reserves	1,535,893	-
Deficit	(2,681,625)	(70,721)
	<u>8,110,297</u>	<u>6,627,996</u>
Total liabilities and shareholders' equity	<u>\$ 8,288,602</u>	<u>\$ 6,669,494</u>

**Nature and continuance of operations** (Note 1)

**Subsequent events** (Note 13)

**Approved and authorized by the Board on November 10, 2021.**

“Stephen Swatton”

Director

“Craig Roberts”

Director

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

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars) - Unaudited – prepared by Management

	Three Months Ended June 30, 2021	Six Months Ended June 30, 2021
<b>EXPENSES</b>		
Amortization expense	1,305	1,305
Bank charges and interest	789	1,007
Director Fees (Note 9)	5,000	5,000
Exploration and evaluation expenditures (Note 8)	333,724	506,848
Foreign exchange	4,426	8,191
Management and consulting fees (Note 9)	146,875	173,875
Marketing and IR	250,000	250,000
Office and miscellaneous	43,317	52,122
Professional fees	67,429	75,597
Share-based compensation (Note 7 and 9)	1,535,893	1,535,893
Transfer agent and filing fees	1,066	1,066
<b>Net loss and comprehensive loss for the period</b>	<b>(2,389,824)</b>	<b>(2,610,904)</b>
<b>Basic and diluted loss per common share</b>	<b>(0.05)</b>	<b>(0.06)</b>
<b>Weighted average number of common shares outstanding, basic and diluted</b>	<b>47,344,407</b>	<b>45,921,091</b>

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

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian Dollars) – Unaudited – prepared by Management

	<u>Share Capital</u>				
	Shares	Amount	Reserves	Deficit	Total
<b>Balance, July 21, 2020 (incorporation)</b>	-	\$ -	-	\$ -	\$ -
Shares issued on incorporation	2	-	-	-	-
Shares issued for property acquisition	10,300,000	463,500	-	-	463,500
Shares issued for private placements	33,928,023	6,452,587	-	-	6,452,587
Share issue costs – cash	-	(217,370)	-	-	(217,370)
Loss for the period	-	-	-	(70,721)	(70,721)
<b>Balance, December 31, 2020</b>	<b>44,228,025</b>	<b>\$ 6,698,717</b>	<b>-</b>	<b>\$ (70,721)</b>	<b>\$ 6,627,996</b>
Shares issued for private placement	11,947,340	2,645,676	-	-	2,645,676
Share-based compensation	-	-	1,535,893	-	1,535,893
Share issue costs – cash	-	(88,364)	-	-	(88,364)
Loss for the period	-	-	-	(2,610,904)	(2,610,904)
<b>Balance, June 30, 2021</b>	<b>56,175,365</b>	<b>\$ 9,256,029</b>	<b>1,535,893</b>	<b>\$ (2,681,625)</b>	<b>\$8,110,297</b>

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

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Expressed in Canadian Dollars) – Unaudited – prepared by Management  
For the Six Months Ended June 30, 2021

	Six months ended June 30, 2021
<b>OPERATING ACTIVITIES</b>	
<b>Loss for the period</b>	\$ (2,610,904)
Items not involving cash:	
Share-based compensation	1,535,893
Amortization	1,305
Changes in non-cash working capital items:	
Accounts payable and accrued liabilities	136,807
GST receivable	(30,397)
Prepays	(24,034)
Cash used in operating activities	<u>(991,330)</u>
<b>INVESTING ACTIVITIES</b>	
Acquisition of equipment	<u>(48,105)</u>
Cash used in investing activities	(48,105)
<b>FINANCING ACTIVITIES</b>	
<b>Proceeds from issuance of share capital</b>	2,645,676
Share issue costs	(88,364)
<b>Cash provided by financing activities</b>	<u>2,557,312</u>
<b>Change in cash for the period</b>	1,517,877
<b>Cash, beginning of period</b>	<u>6,152,979</u>
<b>Cash, end of period</b>	\$ 7,670,856
<b>Cash paid for:</b>	
Taxes	\$Nil
Interest	\$Nil

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

## **1. NATURE AND CONTINUANCE OF OPERATIONS**

CopperCorp Resources Inc. (“CopperCorp”, the “Company”) was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on July 21, 2020. The Company changed its name to CopperCorp Resources Inc. on April 28, 2021. The Company’s head office address and its registered and records office address is at Suite 800 – 885 West Georgia Street, Vancouver, BC, V6C 3H1. The Company is a mineral exploration company with interests in mineral properties in Australia.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company’s continued existence are dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. Management estimates that the Company will be able to meet its obligations and to sustain operations for at least the next twelve months.

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

The condensed consolidated interim financial statements were approved by the Board of Directors on November 10, 2021.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. To date, there have been no adverse effects on the Company’s business or ability to raise funds.

## **2. BASIS OF PRESENTATION**

### **a) Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using accounting policies consistent with IFRS. Certain disclosures required by IFRS have been condensed or omitted in the following note disclosures as they are disclosed or have been disclosed on an annual basis only. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the period from incorporation on July 21, 2020 to December 31, 2020, which have been prepared in accordance with IFRS. The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company’s annual financial statements, unless otherwise stated.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

### **a) Basis for measurement**

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

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

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Expressed in Canadian Dollars) – Unaudited – prepared by Management  
For the Six Months Ended June 30, 2021

b) Basis of consolidation

These condensed consolidated interim financial statements include the financial statements of CopperCorp Resources Inc. (Formerly 1258168 BC Ltd.) and its wholly owned subsidiary Georgina Resources Pty Ltd. incorporated in Australia. All intercompany transactions and balances have been eliminated upon consolidation.

c) Critical accounting judgements and estimates

Judgements, estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The significant judgments, estimates and assumptions made by management in applying the Company’s accounting policies were the same as those that applied to the Company’s audited consolidated financial statements for the period from incorporation on July 21, 2020 to December 31, 2020.

**4. ACQUISITION OF GEORGINA**

On November 9, 2020, the Company closed a transaction, whereby the Company acquired a 100% interest in Georgina Resources Pty Ltd. (“Georgina”) that holds the rights to the Alpine Project and to the Skyline Project in Australia subject to a 1.5% net smelter return royalty to Georgina vendors which can be repurchased for \$3,000,000 by the Company. The acquisition has been accounted for as an acquisition of assets.

The aggregate purchase consideration for the acquisition consists of the Company issuing 10,300,000 common shares of the Company. The purchase price allocation is as follows:

Shares	463,500	[i]
Transaction costs	64,443	
<b>Total</b>	<b>527,943</b>	
<hr/>		
Cash	12,766	
Recoverable taxes	3,615	
Exploration and evaluation of assets	511,562	
<b>Total transaction price</b>	<b>527,943</b>	

[i] The Company issued 10,300,000 common shares on November 9, 2020 as per share purchase agreement.

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

		<b>June 30, 2021</b>		<b>December 31, 2020</b>
Accounts payable	\$	163,930	\$	41,498
Accrued liabilities		14,375		-
<b>Total accounts payable and accrued liabilities</b>	<b>\$</b>	<b>178,305</b>	<b>\$</b>	<b>41,498</b>

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
(Expressed in Canadian Dollars) – Unaudited – prepared by Management  
For the Six Months Ended June 30, 2021

**6. EQUIPMENT**

		Field Equipment	Total
<b>Cost</b>			
At December 31, 2020	\$	-	\$ -
Addition	\$	48,105	\$ 48,105
<b>At June 30, 2021</b>	<b>\$</b>	<b>48,105</b>	<b>\$ 48,105</b>
<b>Accumulated Depreciation</b>			
At December 31, 2020	\$	-	\$ -
Additions	\$	1,305	\$ 1,305
At June 30, 2021	\$	1,305	\$ 1,305
<b>Net Book Value</b>			
December 31, 2020	\$	-	\$ -
June 30, 2021	\$	46,800	\$ 46,800

**7. SHARE CAPITAL**

a) Authorized share capital: Unlimited number of common shares, without par value.

Issued share capital:

**For the six months ended June 30, 2021**

As at June 30, 2021, the Company had 56,175,365 common shares issued and outstanding.

On June 8, 2021, the Company completed a private placement unit financing of 6,610,912 common shares at \$0.35 per units and 5,035,714 shares at \$0.045 per share, for gross proceeds of \$2,540,426. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until June 8, 2023. In connection with this financing, the Company incurred cash finders' fees of \$60,000, recorded as share issue costs. The Company issued a total of 5,035,714 options at \$0.045 to certain officers, as such it resulted to a share-based compensation of \$1,535,893.

On January 14, 2021, the Company completed a private placement unit financing of 300,714 common shares at \$0.35 per unit, for gross proceeds of \$105,250. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until January 14, 2023. In connection with this financing, the Company incurred cash finders' fees of \$28,364, recorded as share issue costs.

**For the period from incorporation on July 21, 2020 to December 31, 2020**

As at December 31, 2020, the Company had 44,228,025 shares issued and outstanding.

On October 23, 2020, the Company issued 2 incorporation shares.

On October 23, 2020, the Company completed a private placement unit financing of 16,827,776 common shares at \$0.045 per unit, for gross proceeds of \$757,250.

On October 30, 2020, the Company completed a private placement unit financing of 950,000 common shares at \$0.045 per unit, for gross proceeds of \$42,750.

On November 9, 2020, the Company issued 10,300,000 common shares with a fair value of \$463,500 pursuant to the share purchase agreement (Note 4).

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Expressed in Canadian Dollars) – Unaudited – prepared by Management  
For the Six Months Ended June 30, 2021

On November 20, 2020, the Company completed a private placement unit financing of 6,345,362 common shares at \$0.35 per unit, for gross proceeds of \$2,220,877. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until November 20, 2022.

On December 3, 2020, the Company completed a private placement unit financing of 9,804,885 common shares at \$0.35 per unit, for gross proceeds of \$3,431,710. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until December 3, 2022.

In connection with financings completed during the year ended December 31, 2020, the Company incurred cash finders' fees of \$217,370, recorded as share issue costs.

b) Warrants

Details of share purchase warrants are as follows:

	Number of Warrants		Weighted Average Exercise Price
Outstanding as at July 21, 2020 (incorporation)	-	\$	-
Issued	8,075,124	\$	0.75
Outstanding as at December 31, 2020	8,075,124	\$	0.75
Issued	3,455,812	\$	0.75
Outstanding as at June 30, 2021	11,530,936	\$	0.75

As at June 30, 2021, the outstanding share purchase warrants were as follows:

Number of Warrants	Exercise Price	Expiry Date	Weighted average remaining life (in years)
3,172,681	\$0.75	November 20, 2022	1.39
4,902,443	\$0.75	December 3, 2022	1.43
150,357	\$0.75	January 14, 2023	1.54
3,305,455	\$0.75	June 8, 2023	1.94
11,530,936	\$0.75		1.57

c) Stock options

As at June 30, 2021 and December 31, 2020, the Company had no outstanding stock options.

The Board adopted a stock option plan on May 14, 2021. Pursuant to the Company's stock option plan, the board of directors may grant options for the purchase of up to 10% of the total number of issued and outstanding common shares of the Company. Options granted under the plan vest over time at the discretion of the board of directors and expire no later than five years from the date of issuance. The exercise price of Options will be determined by the Board, but after listing of the Common Shares on the Exchange such price will not be less than the minimum prevailing price permitted by the Exchange. All options granted under the Stock Option Plan will expire not later than the maximum exercise period as determined by the applicable securities laws and the policies of the Exchange. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; (iii) one year from the date of disability; or (iv) one year from the date of death. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

## 8. EXPLORATION AND EVALUATION EXPENDITURES

<b>July 21, 2020 (incorporation)</b>	\$	-
Additions:		
Acquisition costs		511,562
<b>December 31, 2020 and June 30, 2021</b>		<b>511,562</b>

During the six months ended June 30, 2021, the Company incurred the following exploration and evaluation expenditures:

Field and general operations	\$	247,726
Field contractors and consultants		239,276
Geochemistry		4,831
Geological consulting		8,008
Travel		4,672
Field equipment		2,335
<b>June 30, 2021</b>	<b>\$</b>	<b>506,848</b>

## 9. RELATED PARTY TRANSACTIONS

### Key management personnel

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

During the period ended June 30, 2021, the Company incurred \$114,375 in management fees. From this amount, \$109,375 was included in management and consulting fees and \$5,000 was included in director fees in the condensed consolidated interim statement of loss and comprehensive loss.

As at June 30, 2021, the Company owed \$9,375 in management and consulting fees (December 31, 2020 - \$nil) and \$5,000 in director fees (December 31, 2020 - \$nil) to certain officers of the company. The amount is included in accounts payable and accrued liabilities. The Company issued a total of 5,035,714 shares at \$0.045 to certain officers, as such it resulted to a share-based compensation of \$1,535,893.

## 10. FINANCIAL INSTRUMENTS

### Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Cash is carried at fair value using a Level 1 fair value measurement. The recorded values of GST receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short-term to maturities which is the amount presented on the statement of financial position.

*Financial risk factors*

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

*Credit risk*

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and GST receivable due from the Government of Canada. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company believes its credit risk with respect to GST receivable is minimal.

*Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2021, the Company had a working capital balance of \$7,551,935.

*Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institution is subject to floating rates of interest. The interest rate risk on cash is not considered significant.

*Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities, denominated in Australian dollars. A 10% fluctuation between the Canadian dollar against the Australian dollar would impact profit or loss by approximately \$13,184.

*Price risk*

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

## **11. CAPITAL MANAGEMENT**

Capital is comprised of the Company's shareholders' equity. As at June 30, 2021, the Company's shareholders' equity was \$8,110,297 and there was no long-term debt outstanding. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. The Company currently is not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the period.

## **12. SEGMENT INFORMATION**

The Company operates in one reportable segment, being funding of companies operating in the junior mining sector located in Australia. All of the Company's exploration and evaluation assets are located in Australia.

## **13. SUBSEQUENT EVENTS**

Subsequent to the period ended June 30, 2021, the following events took place:

- The Company granted a total of 5,400,000 incentive stock options to directors, officers, and consultants of the Company. Each option is exercisable to purchase one common share of the Company for five years at a price of \$0.35 per common share in accordance with the terms of the Company's stock option plan.

**COPPERCORP RESOURCES INC. (Formerly 1258168 BC LTD.)**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars) – Unaudited – prepared by Management

For the Six Months Ended June 30, 2021

---

- The Company filed a preliminary prospectus in relation to the proposed Initial Public Offering (“IPO”) of securities of the Company and concurrent listing of the common shares in the capital of the Company on the TSX Venture Exchange. Under the terms of the IPO, the Company will issue 10,000,000 common shares of the Company at a price of \$0.50 for gross proceeds of \$5,000,000. Upon closing of the offering, the Company agreed to pay a cash commission to the agent equal to 6.0% of the total gross proceeds of the offering. In addition, the Company has agreed to reimburse the agent for all reasonable expenses incurred in connection with the Offering, \$15,000 towards due diligence fees and \$25,000 towards a corporate finance fee.

B-1

**APPENDIX B**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

*[See Attached]*

**COPPERCORP RESOURCES INC. (FORMERLY 1258168 BC LTD.)**

**Management's Discussion and Analysis**

**For the period from incorporation on July 21, 2020 to December 31, 2020**

Dated November 10, 2021

## NOTE TO READER

This management's discussion and analysis ("MD&A") for the period from incorporation on July 21, 2020 to December 31, 2020 was prepared by management and approved and authorized for issue on November 10, 2021 for CopperCorp Resources Inc. (the "Company" or "CopperCorp") in accordance with International Financial Reporting Standards ("IFRS"). The MD&A supplements but does not form part of the audited financial statements of CopperCorp and the notes thereto for the period from incorporation on July 21, 2020 to December 31, 2020. Consequently, the MD&A should be read in conjunction with the Company's audited financial statements and related notes for the period from incorporation on July 21, 2020 to December 31, 2020.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

All amounts are in Canadian dollars unless otherwise specified.

## FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These forward-looking statements relate to future events or CopperCorp's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by words such as "plans", "expects", "anticipates", "believes", "estimates", "expects" and similar expressions, or the negatives of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might", or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of CopperCorp's properties to contain economic mineral deposits; CopperCorp's ability to meet its working capital needs at the current level for the 12-month period ending December 31, 2021; the plans, costs, timing and capital for future exploration and development of CopperCorp's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; prices and price volatility for mineral deposits; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond CopperCorp's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, mineral deposits, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data and confirming title to CopperCorp's properties, the possibility that future exploration results will not be consistent with CopperCorp's expectations, increases in costs, environmental compliance, and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions and other risks involved in the minerals exploration and development industry, as well as those risk factors listed in the "Risks and Uncertainties" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by the forward-looking statements contained in the MD&A. Such statements are based on a number of assumptions about the following: the availability of financing for CopperCorp's exploration and development activities; operating and exploration costs; CopperCorp's ability to attract and retain skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

Forward-looking statements may be affected by known and unknown risks, uncertainties and other factors that may cause CopperCorp's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. CopperCorp undertakes no obligation to update publicly or otherwise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If CopperCorp does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## INTRODUCTION

CopperCorp Resources Inc., formerly named 1258168 BC Ltd., is an exploration company based in Vancouver, Canada, which currently has interests in exploration projects in Australia.

## OVERVIEW

### *Appointments*

On February 25, 2021, the following events took place:

- Andrew Stewart resigned as a director
- Stephen Swatton was appointed as a director and CEO
- Aaron Keay was appointed as a director
- Rob Scott was appointed CFO
- Danica Topolewski was appointed as Corporate Secretary

### *COVID-19*

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. To date, there have been no adverse effects on the Company's business or ability to raise funds.

### *Acquisition of Georgina*

On November 9, 2020, the Company closed a transaction, whereby the Company acquired a 100% interest in Georgina Resources Pty Ltd. ("Georgina") that holds the rights to the Alpine Project and to the Skyline Project in Australia subject to a 1.5% net smelter return royalty to Georgina vendors which can be repurchased for \$3,000,000 by the Company. The acquisition has been accounted for as an acquisition of assets.

The aggregate purchase consideration for the acquisition consists of the Company issuing 10,300,000 common shares of the Company. The purchase price allocation is as follows:

Shares	463,500	[i]
Transaction costs	64,443	
Total	527,943	
Cash	12,766	
Recoverable taxes	3,615	
Evaluation and exploration assets	511,562	
Total transaction price	527,943	

[i] The Company issued 10,300,000 common shares on November 9, 2020 as per share purchase agreement.

## **Financing**

For the period from incorporation on July 21, 2020 to December 31, 2020, the following events took place:

- On October 23, 2020, the Company issued 2 incorporation shares.
- On October 23, 2020, the Company completed a private placement unit financing of 16,827,776 common shares at \$0.045 per unit, for gross proceeds of \$757,250.
- On October 30, 2020, the Company completed a private placement unit financing of 950,000 common shares at \$0.045 per unit, for gross proceeds of \$42,750.
- On November 9, 2020, the Company issued 10,300,000 common shares with a fair value of \$463,500 pursuant to the share purchase agreement.
- On November 20, 2020, the Company completed a private placement unit financing of 6,345,362 common shares at \$0.35 per unit, for gross proceeds of \$2,220,877. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until November 20, 2022.
- On December 3, 2020, the Company completed a private placement unit financing of 9,804,885 common shares at \$0.35 per unit, for gross proceeds of \$3,431,710. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until December 3, 2022.
- In connection with financings completed during the year ended December 31, 2020, the Company incurred cash finders' fees of \$217,370, recorded as share issue costs.

As at December 31, 2020, the Company had 44,228,025 common shares issued and outstanding. Subsequent to the period ended December 31, 2020, the following events took place:

- On January 14, 2021, the Company completed a private placement unit financing of 300,714 common shares at \$0.35 per unit, for gross proceeds of \$105,250. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until January 14, 2023. In connection with this financing, the Company incurred cash finders' fees of \$28,364, recorded as share issue costs.
- On May 25, 2021, the Company engaged Haywood Securities Inc. to act as lead agent for the Company in connection with the proposed Initial Public Offering ("IPO") of securities of the Company and concurrent listing of the common shares in the capital of the Company on the TSX Venture Exchange. Under the terms of the IPO the Company will issue 10,000,000 common shares of the Company at a price of \$0.50 for gross proceeds of \$5,000,000.
- On June 8, 2021, the Company completed a private placement unit financing of 6,610,912 common shares at \$0.35 per share, for gross proceeds of \$2,313,819. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until June 8, 2023. On June 8, 2021, the Company completed a private placement unit financing of 5,035,714 common shares at \$0.045 per share, for gross proceeds of \$226,607.
- The Company granted a total of 5,400,000 incentive stock options to directors, officers, and consultants of the Company. Each option is exercisable to purchase one common share of the Company for five years at a price of \$0.35 per common share in accordance with the terms of the Company's stock option plan.

- The Company filed a preliminary prospectus in relation to the proposed Initial Public Offering ("IPO") of securities of the Company and concurrent listing of the common shares in the capital of the Company on the TSX Venture Exchange. Under the terms of the IPO, the Company will issue 10,000,000 common shares of the Company at a price of \$0.50 for gross proceeds of \$5,000,000. Upon closing of the offering, the Company agreed to pay a cash commission to the agent equal to 6.0% of the total gross proceeds of the offering. In addition, the Company has agreed to reimburse the agent for all reasonable expenses incurred in connection with the Offering, \$15,000 towards due diligence fees and \$25,000 towards a corporate finance fee.

## **MINERAL PROPERTIES AND EXPLORATION**

### **Alpine Project**

The Alpine project is located in northwest Tasmania. The target metal, Copper, is hosted in what are geologically referred to as Iron Oxide Copper Gold deposits which are common in Australia.

### **Skyline Project**

The project is located in northwest Tasmania. The target metal, Copper, is hosted in what are geologically referred to as Iron Oxide Copper Gold deposits which are common in Australia. The project also has some potential for gold in what are referred to as porphyry and epithermal deposits

### ***Exploration highlights***

#### **Alpine Project**

- Twin- and infill-drilling to establish initial JORC Inferred Resource at Alpine and test priority extension targets (6000 to 9000m).
- Preliminary metallurgical test work.
- Reprocess available magnetic and gravity data.
- Gridding, mapping, extension soil sampling, trenching, gravity survey, and possible IP survey.
- Reconnaissance surface exploration and assessment of Alpine regional targets.

#### **Skyline Project**

- Dora Zone: gridding, mapping, surface sampling and ground geophysical surveys, scout diamond core drilling on best targets (2000 to 5000 m).
- Selina Zone: re-assay selected drill core for bulk cobalt grades; preliminary metallurgical tests to assess potential for cobaltiferous pyrite concentrate production.
- Beatrice and Linda Zones: reconnaissance surface exploration and assessment.

## **QUALIFIED PERSON**

The scientific and technical data contained in the property descriptions were reviewed by Mr. Sean Westbrook, CopperCorp's Vice President of Exploration. He is responsible for ensuring that the geologic information provided in this section of the Management Discussion and Analysis is accurate and acts as a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Project.

## SELECTED ANNUAL INFORMATION

The following selected information is for the period from incorporation on July 21, 2020 to December 31, 2020:

	<b>From incorporation on July 21, 2020 to December 31, 2020</b>
Loss	\$70,721
Basic and diluted loss per common share	\$0.01
Total assets	\$6,669,494
Total long-term debt	\$Nil
Shareholders' equity	\$6,627,996
Share capital	\$6,698,717
Contributed surplus	\$Nil
Deficit	\$70,721
Cash dividends declared per common share	\$Nil

## RESULTS OF OPERATIONS

The following selected information is for the period from incorporation on July 21, 2020 to December 31, 2020:

---

<b>EXPENSES</b>	
Bank charges and interest	\$ 918
Evaluation and exploration expenditures	26,757
Foreign exchange	2,147
Listing and filing fees	590
Management and consulting fees	16,109
Office and miscellaneous	4,344
Professional fees	19,856
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (70,721)</b>

Professional fees of \$19,856, is comprised of legal fees in connection to the acquisition of Georgina. Management and consulting fees of \$16,109 are comprised of amounts for services in connection with the acquisition of Georgina. Evaluation and exploration expenditures of \$26,757 is comprised of amounts spent in the Alpine project.

## SUMMARY OF QUARTERLY RESULTS

As the Company was incorporated on July 21, 2020, the Company has not reported quarterly financial information for any portion of the period ended December 31, 2020. As such, refer to "Selected Annual Information" and "Results of Operations" above.

## LIQUIDITY AND CAPITAL RESOURCES

The Company's main sources of liquidity are proceeds from equity financings. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

The Company had cash at December 31, 2020, of \$6,152,979, and working capital of \$6,116,434.

The Company has enough capital to meet our working capital requirements for the next 12 months.

The Company currently does not have any capital commitments.

### **Cash used in operating activities**

Net cash used in operating activities from incorporation on July 21, 2020 to December 31, 2020 was \$45,561. Cash was mostly spent on professional fees, management, consulting, and general and administrative costs.

### **Cash provided by investing activities**

Total cash provided by investing activities from incorporation on July 21, 2020 to December 31, 2020 was \$51,677 resulting from the acquisition of Georgina. For further details, please refer to Note 4 of the consolidated financial statements from the date of incorporation on July 21, 2020 to December 31, 2020.

### **Cash generated by financing activities**

Total net cash generated by financing activities from incorporation on July 21, 2020 to December 31, 2020 was \$6,250,217, resulting from funds raised through a private placement, net of share issuance costs.

CopperCorp plans to utilize the expertise of its board and management to raise additional funds to undertake its planned exploration activities and to meet its administrative overhead expenses for at least the next twelve months. Actual funding requirements may vary from those planned due to a number of factors, including the results of exploration activity and market conditions.

CopperCorp expects to obtain financing in the future primarily through further equity and/or debt financing, as well as through joint venturing and/or optioning out CopperCorp's properties to qualified mineral exploration companies. There can be no assurance that CopperCorp will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause CopperCorp to suspend its operations and eventually to forfeit or sell its interest in its exploration and evaluation assets.

## **Risks and Uncertainties**

### ***Exploration Stage Company***

CopperCorp is engaged in the business of acquiring and exploring mineral properties with the objective of locating economic mineral deposits. Development of CopperCorp's properties will only follow upon obtaining satisfactory exploration results. There can be no assurance that CopperCorp's existing or future exploration programs will result in the discovery of commercially viable mineral deposits. Further, there can be no assurance that even if a mineral deposit is located, that it can be commercially mined.

### ***Mineral Exploration and Development***

The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mineral deposit or ore body may result in significant rewards, few properties which are explored are ultimately developed into producing mines. Substantial expenses are required to establish ore reserves by drilling, sampling and other techniques and to design and construct mining and processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit (i.e. size, grade, access and proximity to infrastructure), financing costs, the cyclical nature of commodity prices and government regulations (including those relating to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection). The effect of these factors or a combination thereof cannot be accurately predicted but could have an adverse impact on CopperCorp.

### ***Mining Operations and Insurance***

Mining operations generally involve a high degree of risk. CopperCorp's operations are subject to all of the hazards and risks normally encountered in mineral exploration and development. Such risks include unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, and other conditions involved in the drilling and removal of material, environmental hazards, industrial accidents, periodic interruptions due to adverse weather conditions, labour disputes, and political unrest.

The occurrence of any of the foregoing could result in damage to, or destruction of, mineral properties or interests, production facilities, personal injury, damage to life or property, environmental damage, delays or interruption of operations, increases in costs, monetary losses, legal liability and adverse government action. CopperCorp does not currently carry insurance against these risks and there is no assurance that such insurance will be available in the future, or if available, at economically feasible premiums or acceptable terms. The potential costs associated with liabilities not covered by insurance or excess insurance coverage may cause substantial delays and require significant capital outlays.

### ***No Operating History and Financial Resources***

CopperCorp does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its existing cash resources, following any proposed private placements, will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Additional funds will also be required for CopperCorp to acquire and explore other mineral interests. CopperCorp has limited financial resources and there is no assurance that sufficient additional funding will be available to it fulfill its obligations or for further exploration and development, on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause CopperCorp to forfeit its interests in some or all of its properties or to reduce or terminate its operations.

### ***Government Regulation***

The current or future operations of CopperCorp, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various federal, provincial and local governmental authorities and such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, land claims of indigenous people and other matters. There can be no assurance, however, that CopperCorp will obtain on reasonable terms, or at all, the permits and approvals, and the renewals thereof, which it may require for the conduct of its current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which CopperCorp may undertake. Possible future environmental and mineral tax legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays to CopperCorp's planned exploration and operations, the extent of which cannot be predicted.

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.

### ***Competition***

The mineral exploration and mining business is competitive in all of its phases. CopperCorp will compete with numerous other companies and individuals, including competitors with greater financial, technical and other

resources, in the search for and the acquisition of attractive mineral properties. CopperCorp's ability 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 prospects for mineral exploration or development. There is no assurance that CopperCorp will be able to compete successfully with others in acquiring such prospects.

### ***Title to Property***

CopperCorp has taken precautions to ensure that legal titles to its property interests are properly recorded. There can be no assurance that CopperCorp will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments in the jurisdictions in which the properties are situated will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. Third parties may have valid claims underlying portions of CopperCorp's interests, and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that CopperCorp may lose all or part of its interest in the properties to which such defects relate.

### ***Permitting and Regulatory Risks***

Amendments to current laws, regulations and permits governing operations and activities of mining companies could have a material adverse impact on the Company. As well, policy changes and political pressures within and on federal, territorial, and First Nation governments having jurisdiction over or dealings with the Company could change the implementation and interpretation of such laws, regulations and permits, also having a material adverse impact on the Company. Such impacts could result in one or more increases in capital expenditures or reduction or delays in further exploration activities.

### ***Environmental Risks and Hazards***

All phases of CopperCorp's operations will be subject to environmental regulation in the jurisdictions in which it intends to operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, and provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of such regulation may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which CopperCorp holds interests or on properties that will be acquired which are unknown to CopperCorp at present and which have been caused by previous or existing owners or operators of the properties.

### ***Commodity Prices***

The price of CopperCorp's securities, its financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of base metals & minerals. These prices fluctuate widely and are affected by numerous factors beyond CopperCorp's control such as the sale or purchase of uranium by various dealers, government agencies and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand; production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection and international political and economic trends, conditions and events. These prices fluctuate widely, and future serious price declines could cause continued development of CopperCorp's properties to be impracticable.

Further, reserve calculations and life-of-mine plans using significantly lower uranium prices could result in material write-downs of CopperCorp's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

### ***Price Volatility***

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Any quoted market for CopperCorp's securities will be subject to such market uncertainties and the value of such securities may be affected accordingly.

### ***Key Executives***

CopperCorp is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the operations of CopperCorp are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of CopperCorp, the loss of these persons or CopperCorp's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. CopperCorp does not currently carry any key-man life insurance on any of its executives. The directors and officers of CopperCorp only devote part of their time to the affairs of CopperCorp.

### ***Potential Conflicts of Interest***

Certain directors and officers of CopperCorp are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of CopperCorp. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of CopperCorp. Directors and officers of CopperCorp with conflicts of interest are subject to and do follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

### ***Dividends***

CopperCorp has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of CopperCorp and will depend on CopperCorp's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of CopperCorp deem relevant.

### ***Nature of the Securities***

The purchase of CopperCorp's securities 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. CopperCorp's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in CopperCorp's securities should not constitute a major portion of an investor's portfolio.

## **OFF BALANCE SHEET ARRANGEMENTS**

CopperCorp does not utilize off balance sheet arrangements.

## TRANSACTIONS WITH RELATED PARTIES

### ***Key management compensation***

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

There was no key management remuneration during the period from incorporation on July 21, 2020 to December 31, 2020.

As at December 31, 2020, the Company owed \$11,250 to Eoin Saadien for an overpayment he provided on a Company's private placement. These payables are generally unsecured, non-interest bearing and are expected to be repaid under normal trade terms.

## PROPOSED TRANSACTIONS

There are no proposed transactions that should be disclosed.

## CRITICAL ACCOUNTING ESTIMATES

CopperCorp's accounting policies are presented Note 3 of consolidated financial statements for the period from incorporation on July 21, 2020 to December 31, 2020. The preparation of financial statements in accordance with IFRS requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements. Actual amounts could differ materially from the estimates used and, accordingly, affect the results of the operations. These include:

- Income taxes
- the carrying values of exploration and evaluation assets

### *Income taxes*

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

### *Carrying value and recoverability of exploration and evaluation assets*

The carrying amount of the Company's exploration and evaluation assets do not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development and upon future profitable production or proceeds from the disposition of the mineral property interests themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its mineral

property interests or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

*New accounting standards and interpretations adopted during the year*

As at December 31, 2020, there are no new standards that have not yet been adopted that will materially impact the presentation of the consolidated financial statements.

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

### **Categories of financial assets and liabilities**

The fair value of the Company's cash and cash equivalents, other receivables, GST recoverable, and accounts payable and accrued liabilities approximate carrying value which is the amount recorded on the statement of financial position due to their short-term nature.

### ***Foreign currency translation***

The Company's reporting currency and the functional currency of all of its operations, including that of its subsidiaries, is the Canadian dollar. Transactions in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. At each statement of financial position date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when acquired. All gains and losses on translation of these foreign currency transactions are included in the statement of loss.

### ***Financial risk factors***

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

#### ***Credit risk***

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and GST receivable due from the Government of Canada. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company believes its credit risk with respect to GST receivable is minimal.

#### ***Liquidity risk***

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had a working capital balance of \$6,116,434.

#### ***Interest rate risk***

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institution is subject to floating rates of interest. The interest rate risk on cash is not considered significant.

#### ***Foreign currency risk***

The Company is exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities, denominated in Australian dollars. A 10% fluctuation between the Canadian dollar against the Australian dollar would impact profit or loss by approximately \$5,400.

## OTHER REQUIREMENTS

### Additional Disclosure for Toronto Stock Exchange Venture Issuers Without Significant Revenue

Additional disclosure concerning CopperCorp's general and administrative expenses and exploration and evaluation assets is provided in CopperCorp's Statement of Loss and Comprehensive Loss and Schedule of Exploration and Evaluation Assets contained in its consolidated financial statements for the period from date of incorporation on July 21, 2020 to December 31, 2020.

### Outstanding Share Data

CopperCorp's authorized share capital is unlimited common shares without par value. As at November 10, 2021, the following common shares, options, and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and outstanding common shares	56,175,365		
Warrants	3,172,681	\$0.75	November 20, 2022
	4,902,442	\$0.75	December 3, 2022
	150,357	\$0.75	January 14, 2023
	3,305,455	\$0.75	June 8, 2023
Options	5,400,000	\$0.35	July 27, 2026
Fully Diluted at November 10, 2021	73,106,300		

## APPROVAL

The Board of Directors of CopperCorp Resources Inc. has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

## ADDITIONAL INFORMATION

Additional information can be obtained by contacting:

**CopperCorp Resources Inc.**  
Attention: Stephen Swatton, CEO  
Suite 550 – 800 West Pender St, Vancouver, BC V6C 2V6 CANADA  
Tel: (778) 327-5799 Fax: (778) 327-6675

**COPPERCORP RESOURCES INC.**

/s/ "Stephen Swatton"  
Stephen Swatton  
Chief Executive Officer

**COPPERCORP RESOURCES INC.**

/s/ "Robert Scott"  
Robert Scott  
Chief Financial Officer

**COPPERCORP RESOURCES INC. (FORMERLY 1258168 BC LTD.)**

**Management's Discussion and Analysis**

**For the six months ended June 30, 2021**

Dated November 10, 2021

## **NOTE TO READER**

This management's discussion and analysis ("MD&A") for the six months ended June 30, 2021 was prepared by management and approved and authorized for issue on November 10, 2021 for CopperCorp Resources Inc. (the "Company" or "CopperCorp") in accordance with International Financial Reporting Standards ("IFRS"). The MD&A supplements but does not form part of the consolidated financial statements of CopperCorp and the notes thereto for the six months ended June 30, 2021. Consequently, the MD&A should be read in conjunction with the Company's consolidated financial statements of CopperCorp and the notes thereto for the six months ended June 30, 2021 and the audited financial statements for the period from incorporation on July 21, 2020 to December 31, 2020

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

All amounts are in Canadian dollars unless otherwise specified.

## **FORWARD-LOOKING INFORMATION**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These forward-looking statements relate to future events or CopperCorp's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by words such as "plans", "expects", "anticipates", "believes", "estimates", "expects" and similar expressions, or the negatives of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might", or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of CopperCorp's properties to contain economic mineral deposits; CopperCorp's ability to meet its working capital needs at the current level for the 12-month period ending December 31, 2021; the plans, costs, timing and capital for future exploration and development of CopperCorp's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; prices and price volatility for mineral deposits; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond CopperCorp's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, mineral deposits, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data and confirming title to CopperCorp's properties, the possibility that future exploration results will not be consistent with CopperCorp's expectations, increases in costs, environmental compliance, and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions and other risks involved in the minerals exploration and development industry, as well as those risk factors listed in the "Risks and Uncertainties" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by the forward-looking statements contained in the MD&A. Such statements are based on a number of assumptions about the following: the availability of financing for CopperCorp's exploration and development activities; operating and exploration costs; CopperCorp's ability to attract and retain skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

Forward-looking statements may be affected by known and unknown risks, uncertainties and other factors that may cause CopperCorp's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. CopperCorp undertakes no obligation to update publicly or otherwise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If CopperCorp does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## INTRODUCTION

CopperCorp Resources Inc., formerly named 1258168 BC Ltd., is an exploration company based in Vancouver, Canada, which currently has interests in exploration projects in Australia.

## OVERVIEW

### *Appointments*

On February 25, 2021, the following events took place:

- Andrew Stewart resigned as a director
- Stephen Swatton was appointed as a director and CEO
- Aaron Key was appointed as a director
- Rob Scott was appointed CFO
- Danica Topolewski was appointed as Corporate Secretary

### *COVID-19*

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. To date, there have been no adverse effects on the Company's business or ability to raise funds.

### *Acquisition of Georgina*

On November 9, 2020, the Company closed a transaction, whereby the Company acquired a 100% interest in Georgina Resources Pty Ltd. ("Georgina") that holds the rights to the Alpine Project and to the Skyline Project in Australia subject to a 1.5% net smelter return royalty to Georgina vendors which can be repurchased for \$3,000,000 by the Company. The acquisition has been accounted for as an acquisition of assets.

The aggregate purchase consideration for the acquisition consists of the Company issuing 10,300,000 common shares of the Company. The purchase price allocation is as follows:

Shares	463,500	[i]
Transaction costs	64,443	
<b>Total</b>	<b>527,943</b>	
Cash	12,766	
Recoverable taxes	3,615	
Evaluation and exploration assets	511,562	
<b>Total transaction price</b>	<b>527,943</b>	

[i] The Company issued 10,300,000 common shares on November 9, 2020 as per share purchase agreement.

## ***Financing***

As at June 30, 2021, the Company had 56,175,365 common shares issued and outstanding.

- On January 14, 2021, the Company completed a private placement unit financing of 300,714 units at \$0.35 per unit, for gross proceeds of \$105,250. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until January 14, 2023. In connection with this financing, the Company incurred cash finders' fees of \$28,364, recorded as share issue costs.
- On May 25, 2021, the Company engaged Haywood Securities Inc. to act as lead agent for the Company in connection with the proposed Initial Public Offering ("IPO") of securities of the Company and concurrent listing of the common shares in the capital of the Company on the TSX Venture Exchange. Under the terms of the IPO the Company will issue 10,000,000 common shares of the Company at a price of \$0.50 for gross proceeds of \$5,000,000.
- On June 8, 2021, the Company completed a private placement unit financing of 6,610,912 common shares at \$0.35 per units and 5,035,714 shares at \$0.045 per share, for gross proceeds of \$2,540,426. In connection with the latter issuance, the Company recorded a share-based compensation of \$1,535,893 determined by the difference between the share's market value (\$0.35) and the shares issued at \$0.045. Each unit comprised one common share and half common share purchase warrant each exercisable at \$0.75 per common share until June 8, 2023. In connection with this financing, the Company incurred cash finders' fees of \$60,000, recorded as share issue costs.

Subsequent to the period ended June 30, 2021, the following events took place:

- The Company granted a total of 5,400,000 incentive stock options to directors, officers, and consultants of the Company. Each option is exercisable to purchase one common share of the Company for five years at a price of \$0.35 per common share in accordance with the terms of the Company's stock option plan.
- The Company filed a preliminary prospectus in relation to the proposed Initial Public Offering ("IPO") of securities of the Company and concurrent listing of the common shares in the capital of the Company on the TSX Venture Exchange. Under the terms of the IPO, the Company will issue 10,000,000 common shares of the Company at a price of \$0.50 for gross proceeds of \$5,000,000. Upon closing of the offering, the Company agreed to pay a cash commission to the agent equal to 6.0% of the total gross proceeds of the offering. In addition, the Company has agreed to reimburse the agent for all reasonable expenses incurred in connection with the Offering, \$15,000 towards due diligence fees and \$25,000 towards a corporate finance fee.

## ***Corporate***

Subsequent to the period ended June 30, 2021, the Company granted a total of 5,400,000 incentive stock options to directors, officers, and consultants of the Company. Each option is exercisable to purchase one common share of the Company for five years at a price of \$0.35 per common share in accordance with the terms of the Company's stock option plan.

## **MINERAL PROPERTIES AND EXPLORATION**

### **Alpine Project**

The Alpine project is located in northwest Tasmania. The target metal, Copper, is hosted in what are geologically referred to as Iron Oxide Copper Gold deposits which are common in Australia.

**Skyline Project**

The project is located in northwest Tasmania. The target metal, Copper, is hosted in what are geologically referred to as Iron Oxide Copper Gold deposits which are common in Australia. The project also has some potential for gold in what are referred to as porphyry and epithermal deposits

**Exploration highlights****Alpine Project**

- Twin- and infill-drilling to establish initial JORC Inferred Resource at Alpine and test priority extension targets (6000 to 9000m).
- Preliminary metallurgical test work.
- Reprocess available magnetic and gravity data.
- Gridding, mapping, extension soil sampling, trenching, gravity survey, and possible IP survey.
- Reconnaissance surface exploration and assessment of Alpine regional targets.

**Skyline Project**

- Dora Zone: gridding, mapping, surface sampling and ground geophysical surveys, scout diamond core drilling on best targets (2000 to 5000 m).
- Selina Zone: re-assay selected drill core for bulk cobalt grades; preliminary metallurgical tests to assess potential for cobaltiferous pyrite concentrate production.
- Beatrice and Linda Zones: reconnaissance surface exploration and assessment.

**QUALIFIED PERSON**

The scientific and technical data contained in the property descriptions were reviewed by Mr. Sean Westbrook, CopperCorp's Vice President of Exploration. He is responsible for ensuring that the geologic information provided in this section of the Management Discussion and Analysis is accurate and acts as a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Project.

**SELECTED ANNUAL INFORMATION**

The following selected information is for the period from incorporation on July 21, 2020 to December 31, 2020:

	<b>From incorporation on July 21, 2020 to December 31, 2020</b>
Loss	\$70,721
Basic and diluted loss per common share	\$0.01
Total assets	\$6,669,494
Total long-term debt	\$Nil
Shareholders' equity (deficiency)	\$6,627,996
Share capital	\$6,698,717
Contributed surplus	\$Nil
Deficit	\$70,721
Cash dividends declared per common share	Nil

## RESULTS OF OPERATIONS

The following selected information is for the three and six months ended June 30, 2021:

	Three Months Ended June 30, 2021	Six Months Ended June 30, 2021
<b>EXPENSES</b>		
Amortization expense	1,305	1,305
Bank charges and interest	789	1,007
Director Fees	5,000	5,000
Exploration and evaluation expenditures (Note 8)	333,724	506,848
Foreign exchange	4,426	8,191
Management and consulting fees	146,875	173,875
Marketing and IR	250,000	250,000
Office and miscellaneous	43,317	52,122
Professional fees	67,429	75,597
Share-based compensation	1,535,893	1,535,893
Transfer agent and filing fees	1,066	1,066
	<u>(2,389,824)</u>	<u>(2,610,904)</u>
<b>Net loss and comprehensive loss for the period</b>	<b>(2,389,824)</b>	<b>(2,610,904)</b>
<b>Basic and diluted loss per common share</b>	<b>(0.05)</b>	<b>\$ (0.06)</b>
<b>Weighted average number of common shares outstanding, basic and diluted</b>	<b>47,344,407</b>	<b>45,921,091</b>

### *For the three months ended June 30, 2021*

- Management and consulting fees of \$146,875 are comprised of amounts for accounting and corporate compliance services. This also includes a one-time bonus of \$100,000 paid to an officer of the Company.
- Evaluation and exploration expenditures of \$333,724 is comprised of amounts spent in the Alpine project.
- Marketing and IR of \$250,000 is comprised of a payment to a consulting firm for digital investor marketing.
- Share-based compensation, a non-cash expense, is related to an amount allocated as the difference between the shares issued at \$0.045 as compared to the remaining shares issued at \$0.35.

### *For the six months ended June 30, 2021*

- Management and consulting fees of \$173,875 are comprised of amounts for accounting and corporate compliance services. This also includes a one-time bonus of \$100,000 paid to an officer of the Company.
- Evaluation and exploration expenditures of \$506,848 is comprised of amounts spent in the Alpine project.
- Marketing and IR of \$250,000 is comprised of a payment to a consulting firm for digital investor marketing.
- Share-based compensation, a non-cash expense, is related to an amount allocated as the difference between the shares issued at \$0.045 as compared to the remaining shares issued at \$0.35.

## **SUMMARY OF QUARTERLY RESULTS**

As the Company was incorporated on July 21, 2020, the Company has not reported quarterly financial information before this date. As such, refer to "Selected Annual Information" and "Results of Operations" above.

## **LIQUIDITY AND CAPITAL RESOURCES**

The Company's main sources of liquidity are proceeds from equity financings. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

The Company had cash at June 30, 2021 of \$7,670,856, and working capital of \$7,551,935.

The Company has enough capital to meet our working capital requirements for the next 12 months.

The Company currently does not have any capital commitments.

### **Cash used in operating activities**

Net cash used in operating activities for the six months ended June 30, 2021 was \$991,330. Cash was mostly spent on evaluation and exploration expenditures, professional fees, management, consulting, and general and administrative costs.

### **Cash provided by investing activities**

Total cash used in investing activities for the six months ended June 30, 2021 was \$48,105. This relates to the purchase of field equipment.

### **Cash generated by financing activities**

Total net cash generated by financing activities for the six months ended June 30, 2021 \$2,557,312, resulting from funds raised through a private placement, net of share issuance costs.

CopperCorp plans to utilize the expertise of its board and management to raise additional funds to undertake its planned exploration activities and to meet its administrative overhead expenses for at least the next twelve months. Actual funding requirements may vary from those planned due to a number of factors, including the results of exploration activity and market conditions.

CopperCorp expects to obtain financing in the future primarily through further equity and/or debt financing, as well as through joint venturing and/or optioning out CopperCorp's properties to qualified mineral exploration companies. There can be no assurance that CopperCorp will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause CopperCorp to suspend its operations and eventually to forfeit or sell its interest in its exploration and evaluation assets.

## **Risks and Uncertainties**

### ***Exploration Stage Company***

CopperCorp is engaged in the business of acquiring and exploring mineral properties with the objective of locating economic mineral deposits. Development of CopperCorp's properties will only follow upon obtaining satisfactory exploration results. There can be no assurance that CopperCorp's existing or future exploration programs will result in the discovery of commercially viable mineral deposits. Further, there can be no assurance that even if a mineral deposit is located, that it can be commercially mined.

### ***Mineral Exploration and Development***

The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mineral deposit or ore body may result in significant rewards, few properties which are explored are ultimately developed into producing mines. Substantial expenses are required to establish ore reserves by drilling, sampling and other techniques and to design and construct mining and processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit (i.e. size, grade, access and proximity to infrastructure), financing costs, the cyclical nature of commodity prices and government regulations (including those relating to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection). The effect of these factors or a combination thereof cannot be accurately predicted but could have an adverse impact on CopperCorp.

### ***Mining Operations and Insurance***

Mining operations generally involve a high degree of risk. CopperCorp's operations are subject to all of the hazards and risks normally encountered in mineral exploration and development. Such risks include unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, and other conditions involved in the drilling and removal of material, environmental hazards, industrial accidents, periodic interruptions due to adverse weather conditions, labour disputes, and political unrest.

The occurrence of any of the foregoing could result in damage to, or destruction of, mineral properties or interests, production facilities, personal injury, damage to life or property, environmental damage, delays or interruption of operations, increases in costs, monetary losses, legal liability and adverse government action. CopperCorp does not currently carry insurance against these risks and there is no assurance that such insurance will be available in the future, or if available, at economically feasible premiums or acceptable terms. The potential costs associated with liabilities not covered by insurance or excess insurance coverage may cause substantial delays and require significant capital outlays.

### ***No Operating History and Financial Resources***

CopperCorp does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its existing cash resources, following any proposed private placements, will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Additional funds will also be required for CopperCorp to acquire and explore other mineral interests. CopperCorp has limited financial resources and there is no assurance that sufficient additional funding will be available to it fulfill its obligations or for further exploration and development, on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause CopperCorp to forfeit its interests in some or all of its properties or to reduce or terminate its operations.

### ***Government Regulation***

The current or future operations of CopperCorp, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various federal, provincial and local governmental authorities and such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, land claims of indigenous people and other matters. There can be no assurance, however, that CopperCorp will obtain on reasonable terms, or at all, the permits and approvals, and the renewals thereof, which it may require for the conduct of its current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which CopperCorp may undertake.

Possible future environmental and mineral tax legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays to CopperCorp's planned exploration and operations, the extent of which cannot be predicted.

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.

### ***Competition***

The mineral exploration and mining business is competitive in all of its phases. CopperCorp will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. CopperCorp's ability 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 prospects for mineral exploration or development. There is no assurance that CopperCorp will be able to compete successfully with others in acquiring such prospects.

### ***Title to Property***

CopperCorp has taken precautions to ensure that legal titles to its property interests are properly recorded. There can be no assurance that CopperCorp will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments in the jurisdictions in which the properties are situated will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. Third parties may have valid claims underlying portions of CopperCorp's interests, and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that CopperCorp may lose all or part of its interest in the properties to which such defects relate.

### ***Permitting and Regulatory Risks***

Amendments to current laws, regulations and permits governing operations and activities of mining companies could have a material adverse impact on the Company. As well, policy changes and political pressures within and on federal, territorial, and First Nation governments having jurisdiction over or dealings with the Company could change the implementation and interpretation of such laws, regulations and permits, also having a material adverse impact on the Company. Such impacts could result in one or more increases in capital expenditures or reduction or delays in further exploration activities.

### ***Environmental Risks and Hazards***

All phases of CopperCorp's operations will be subject to environmental regulation in the jurisdictions in which it intends to operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, and provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of such regulation may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the viability or profitability of operations.

Environmental hazards may exist on the properties in which CopperCorp holds interests or on properties that will be acquired which are unknown to CopperCorp at present and which have been caused by previous or existing owners or operators of the properties.

### ***Commodity Prices***

The price of CopperCorp's securities, its financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of base metals & minerals. These prices fluctuate widely and are affected by numerous factors beyond CopperCorp's control such as the sale or purchase of uranium by various dealers, government agencies and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand; production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection and international political and economic trends, conditions and events. These prices fluctuate widely, and future serious price declines could cause continued development of CopperCorp's properties to be impracticable.

Further, reserve calculations and life-of-mine plans using significantly lower uranium prices could result in material write-downs of CopperCorp's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

### ***Price Volatility***

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Any quoted market for CopperCorp's securities will be subject to such market uncertainties and the value of such securities may be affected accordingly.

### ***Key Executives***

CopperCorp is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the operations of CopperCorp are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of CopperCorp, the loss of these persons or CopperCorp's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. CopperCorp does not currently carry any key-man life insurance on any of its executives. The directors and officers of CopperCorp only devote part of their time to the affairs of CopperCorp.

### ***Potential Conflicts of Interest***

Certain directors and officers of CopperCorp are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of CopperCorp. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of CopperCorp.

Directors and officers of CopperCorp with conflicts of interest are subject to and do follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

**Dividends**

CopperCorp has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of CopperCorp and will depend on CopperCorp's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of CopperCorp deem relevant.

**Nature of the Securities**

The purchase of CopperCorp's securities 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. CopperCorp's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in CopperCorp's securities should not constitute a major portion of an investor's portfolio.

**OFF BALANCE SHEET ARRANGEMENTS**

CopperCorp does not utilize off balance sheet arrangements.

**TRANSACTIONS WITH RELATED PARTIES****Key management compensation**

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

Key management compensation paid and accrued to directors, officers and companies in which directors and officers are shareholders during the six months ended June 30, 2021 are as follows:

Related Party (Company)	Related Party (Individual)	Nature of Relationship
Lundy Management Ltd.	Stephen Swatton	Company, controlled by CEO
GSBC Financial Management Inc.	Robert Scott	Company, controlled by CFO
Flotsam Cove Holdings Corp.	Craig Roberts	Company, controlled by Director
Klutch Financial Corp.	Aaron Keay	Company, controlled by Director
N/A	Eoin Saadien	Director
N/A	Samuel Garrett	Director

Payee	Nature of the transaction	Six months ended June 30, 2021
Lundy Management Ltd. (Company, controlled by CEO)	Management and consulting fees	\$ 109,375
	Share-based compensation	228,750
GSBC Financial Management Inc. (Company, controlled by CFO)	Management and consulting fees	-
Eoin Saadien	Director fees	1,250
Samuel Garrett	Director fees	1,250
Flotsam Cove Holdings Corp. (Company, controlled by Director – Craig Roberts)	Director fees	1,250

Payee	Nature of the transaction	Six months ended June 30, 2021
Klutch Financial Corp. (Company, controlled by Director – Aaron Keay)	Director fees	1,250
	Share-based compensation	1,307,143
<b>Total</b>	<b>\$</b>	<b>1,650,268</b>

During the period ended June 30, 2021, the Company incurred \$114,375 in management fees. From this amount, \$109,375 was included in management and consulting fees, and \$5,000 in director fees in the condensed consolidated interim statement of loss and comprehensive loss.

As at June 30, 2021, the Company owed \$9,375 in management and consulting fees (December 31, 2020 - \$nil) and \$5,000 in director fees (December 31, 2020 - \$nil) to certain officers of the company. The amount is included in accounts payable and accrued liabilities. The Company issued a total of 5,035,714 shares at \$0.045 to the CEO and one director (Aaron Keay), as such it resulted to a share-based compensation of \$1,535,893.

## PROPOSED TRANSACTIONS

There are no proposed transactions that should be disclosed.

## CRITICAL ACCOUNTING ESTIMATES

CopperCorp's accounting policies are presented Note 3 of consolidated financial statements for the period ended June 30, 2021. The preparation of financial statements in accordance with IFRS requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements. Actual amounts could differ materially from the estimates used and, accordingly, affect the results of the operations.

These include:

- Income taxes
- the carrying values of exploration and evaluation assets

### *Income taxes*

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

### *Carrying value and recoverability of exploration and evaluation assets*

The carrying amount of the Company's exploration and evaluation assets do not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development and upon future profitable production or proceeds from the disposition of the mineral property interests themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its mineral

property interests or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

### **Categories of financial assets and liabilities**

The fair value of the Company's cash and cash equivalents, other receivables, GST recoverable, and accounts payable and accrued liabilities approximate carrying value which is the amount recorded on the statement of financial position due to their short-term nature.

#### ***Foreign currency translation***

The Company's reporting currency and the functional currency of all of its operations, including that of its subsidiaries, is the Canadian dollar. Transactions in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. At each statement of financial position date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when acquired. All gains and losses on translation of these foreign currency transactions are included in the statement of loss.

#### ***Financial risk factors***

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

#### ***Credit risk***

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and GST receivable due from the Government of Canada. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company believes its credit risk with respect to GST receivable is minimal.

#### ***Liquidity risk***

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2021, the Company had a working capital balance of \$7,551,935.

#### ***Interest rate risk***

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institution is subject to floating rates of interest. The interest rate risk on cash is not considered significant.

#### ***Foreign currency risk***

The Company is exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities, denominated in Australian dollars. A 10% fluctuation between the Canadian dollar against the Australian dollar would impact profit or loss by approximately \$13,184.

## **OTHER REQUIREMENTS**

### **Additional Disclosure for Toronto Stock Exchange Venture Issuers Without Significant Revenue**

Additional disclosure concerning CopperCorp's general and administrative expenses and exploration and evaluation assets is provided in CopperCorp's Statement of Loss and Deficit and Schedule of Exploration and Evaluation Assets contained in its consolidated financial statements for the period ended June 30, 2021.

### Outstanding Share Data

CopperCorp's authorized share capital is unlimited common shares without par value. As at November 10, 2021, the following common shares, options, and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and outstanding common shares	56,175,365		
Warrants	3,172,681	\$0.75	November 20, 2022
	4,902,442	\$0.75	December 3, 2022
	150,357	\$0.75	January 14, 2023
	3,305,455	\$0.75	June 8, 2023
Options	5,400,000	\$0.35	July 27, 2026
Fully Diluted at November 10, 2021	73,106,300		

## APPROVAL

The Board of Directors of CopperCorp Resources Inc. has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

## ADDITIONAL INFORMATION

Additional information can be obtained by contacting:

**CopperCorp Resources Inc.**  
 Attention: Stephen Swatton, CEO  
 Suite 550 – 800 West Pender St, Vancouver, BC V6C 2V6 CANADA  
 Tel: (778) 327-5799 Fax: (778) 327-6675

**COPPERCORP RESOURCES INC.**

/s/ "Stephen Swatton"  
 Stephen Swatton  
 Chief Executive Officer

**COPPERCORP RESOURCES INC.**

/s/ "Robert Scott"  
 Robert Scott  
 Chief Financial Officer

**APPENDIX C****AUDIT COMMITTEE CHARTER****1. MANDATE**

The audit committee will assist the board of directors of the Company (the “**Board**”) in fulfilling its financial oversight responsibilities. The committee will review and consider, in consultation with the Company’s external auditors, the financial reporting process, the system of internal control over financial reporting and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the Company’s business, operations and risks.

**2. COMPOSITION**

The Board will appoint, from among their membership, an audit committee after each annual meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

**2.1 Independence**

Subject to Sections 3.2, 3.3, 3.4, 3.5 and 3.6 of National Instrument 52-110 (Audit Committees)) (“**NI 52-110**”), a majority of the members of the audit committee must be “independent” (as defined in Section 1.4 of NI 52-110).

**2.2 Expertise of Committee Members**

Subject to Sections 3.5 and 3.8 of NI 52-110, a majority of the members of the audit committee must be “financially literate” (as defined in Section 1.6 of NI 52-110) or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise.

**3. MEETINGS**

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company’s Chief Financial Officer and external auditors in separate executive sessions.

**4. ROLES AND RESPONSIBILITIES**

The audit committee shall fulfill the following roles and discharge the following responsibilities:

**4.1 External Audit**

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor’s report, or performing other audit, review or attestation services, including the resolution of disagreements between management and the external auditors regarding financial reporting. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board that the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attestation services for the Company;
- (b) review (by discussion and enquiry) the external auditors’ proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

- (d) review and recommend to the Board the compensation to be paid to the external auditors;
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards; and
- (f) review and approve the Company's hiring policies regarding partners and employees, and former partners and employees, of the present and former external auditor of the Company.

#### **4.2 Internal Control**

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

#### **4.3 Financial Reporting**

The audit committee shall review the financial statements and financial information of the Company prior to their release to the public. In carrying out this duty, the audit committee shall:

##### *General*

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions;
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate;

##### *Annual Financial Statements*

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered;
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public;

##### *Interim Financial Statements*

- (f) review and approve the interim financial statements prior to their release to the public;
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public; and

*Release of Financial Information*

- (h) where reasonably possible, review and approve all public disclosure containing financial information, including news releases, prior to release to the public. An audit committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and must periodically assess the adequacy of those procedures.

**4.4 Non-Audit Services**

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

*Delegation of Authority*

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

*De-Minimis Non-Audit Services*

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
  - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
  - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

*Pre-Approval Policies and Procedures*

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
  - (i) the pre-approval policies and procedures are detailed as to the particular service;
  - (ii) the audit committee is informed of each non-audit service; and
  - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

**4.5 Other Responsibilities**

The audit committee shall:

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

- (c) ensure that significant findings and recommendations made by management and the external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

#### **4.6 Reporting Responsibilities**

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

#### **5. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE**

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

#### **6. GUIDANCE – ROLES & RESPONSIBILITIES**

The audit committee should consider undertaking the actions described in the following guidance, which is intended to provide the audit committee members with additional guidance on fulfillment of their roles and responsibilities on the committee:

##### **6.1 Internal Control**

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities,
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown, and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;

##### **6.2 Financial Reporting**

###### *General*

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements,
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks,
- (c) understand industry best practices and the Company's adoption of them;

*Annual Financial Statements*

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors;
- (h) ensure that the external auditors communicate all required matters to the committee;

*Interim Financial Statements*

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements;
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
  - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
  - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the Company's operations and financing practices;
  - (iii) generally accepted accounting principles have been consistently applied;
  - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
  - (v) there are any significant or unusual events or transactions;
  - (vi) the Company's financial and operating controls are functioning effectively;
  - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
  - (viii) the interim financial statements contain adequate and appropriate disclosures;

**6.3 Compliance with Laws and Regulations**

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";

- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges; and

**6.4 Other Responsibilities**

- (a) review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.

**CERTIFICATE OF THE COMPANY**

Dated: November 10, 2021

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

*"Stephen Swatton"*

\_\_\_\_\_  
Stephen Swatton  
Chief Executive Officer

*"Robert Scott"*

\_\_\_\_\_  
Robert Scott  
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**

*"Craig Roberts"*

\_\_\_\_\_  
Craig Roberts  
Director

*"Eoin Saadien"*

\_\_\_\_\_  
Eoin Saadien  
Director

**CERTIFICATE OF THE PROMOTER**

Dated: November 10, 2021

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

*"Stephen Swatton"*

\_\_\_\_\_  
Stephen Swatton  
Promoter

**CERTIFICATE OF THE AGENT**

Dated: November 10, 2021

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

**Haywood Securities Inc.**

*"David Taylor"*

---

David Taylor  
Associate Corporate Finance