

Remo Resources Inc.

FILING STATEMENT

**Concerning the Reverse Takeover
Involving the Acquisition by Remo Resources Inc.
of the issued and outstanding shares of Chakana Copper Corp.**

Dated as of November 29, 2017

Neither the TSX Venture Exchange Inc. (the "Exchange") nor any securities regulatory authority has in any way passed upon the merits of the Reverse Takeover described in this filing statement

TABLE OF CONTENTS

	Page
GLOSSARY OF TERMS	1
GLOSSARY OF TECHNICAL TERMS	5
CAUTION REGARDING FORWARD-LOOKING STATEMENTS	18
SUMMARY	20
RISK FACTORS	23
RISKS TO OPERATIONS IN PERU	24
POLITICAL INSTABILITY	24
NATIONALIZATION OF THE MINING INDUSTRY	24
LOCAL RESIDENTS AND NON-GOVERNMENTAL ORGANIZATIONS	25
GOVERNMENTAL REGULATIONS.....	25
REGULATORY REQUIREMENTS IN PERU	25
ENVIRONMENTAL RISKS	26
CANADIAN REGULATORY REQUIREMENTS	26
MINING PERMIT FOR THE SOLEDAD PROJECT	26
SUBSTANTIAL CAPITAL REQUIREMENTS AND LIQUIDITY	27
NO MINERAL RESOURCES OR RESERVES	27
DEVELOPMENT AND OPERATING RISKS	27
RELIANCE ON MANAGEMENT AND DEPENDENCE ON KEY PERSONNEL	27
HEALTH AND SAFETY RISKS.....	28
LIMITED OPERATING HISTORY	28
FLUCTUATING MINERAL PRICES.....	28
CURRENCY FLUCTUATIONS	28
SUPPLY CHAIN INTERRUPTIONS.....	28
COMPETITION	28
RISKS OF FOREIGN OPERATIONS.....	28
CONFLICTS OF INTEREST	29
UNINSURABLE RISKS	29
LITIGATION.....	29
DIVIDENDS	29
LIMITED MARKET FOR SECURITIES	29
GENERAL ECONOMIC CONDITIONS	30
INFORMATION CONCERNING THE ISSUER	30
CORPORATE STRUCTURE	30
GENERAL DEVELOPMENT OF THE BUSINESS	30
SELECTED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS	30
DESCRIPTION OF THE SECURITIES	31
STOCK OPTION PLAN.....	31
PRIOR SALES	32
STOCK EXCHANGE PRICE	32
EXECUTIVE COMPENSATION.....	33
RELATED PARTY TRANSACTION	36
LEGAL PROCEEDINGS	36
AUDITOR, TRANSFER AGENT AND REGISTRAR	36
MATERIAL CONTRACTS	36
INFORMATION CONCERNING CHAKANA	37
CORPORATE STRUCTURE	37
GENERAL DEVELOPMENT OF THE BUSINESS OF CHAKANA.....	37

SOLEDAD PROJECT	39
SELECTED CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS	107
DESCRIPTION OF THE CHAKANA SECURITIES	107
CONSOLIDATED CAPITALIZATION.....	108
PRIOR SALES	109
COMPENSATION OF EXECUTIVE OFFICERS.....	109
NON-ARM’S LENGTH PARTY TRANSACTIONS	112
LEGAL PROCEEDINGS	112
MATERIAL CONTRACTS	112
THE TRANSACTION	113
OVERVIEW.....	113
DESCRIPTION OF THE TRANSACTION	113
THE AMALGAMATION AGREEMENT.....	114
INFORMATION CONCERNING THE RESULTING ISSUER.....	116
CORPORATE STRUCTURE	116
NARRATIVE DESCRIPTION OF THE BUSINESS	117
STATED BUSINESS OBJECTIVES	117
MILESTONES.....	117
SUMMARY PRO FORMA FINANCIAL INFORMATION.....	118
DESCRIPTION OF THE SECURITIES	118
PRO FORMA CONSOLIDATED CAPITALIZATION.....	119
FULLY DILUTED SHARE CAPITAL	119
AVAILABLE FUNDS AND PRINCIPAL PURPOSES.....	120
DIVIDENDS	121
PRINCIPAL SECURITYHOLDERS	121
DIRECTORS, OFFICERS AND PROMOTERS.....	121
CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES	124
PENALTIES OR SANCTIONS.....	125
PERSONAL BANKRUPTCIES	125
CONFLICTS OF INTEREST	125
OTHER REPORTING ISSUER EXPERIENCE	125
EXECUTIVE COMPENSATION.....	126
INDEBTEDNESS OF DIRECTORS AND OFFICERS.....	128
INVESTOR RELATIONS ARRANGEMENTS.....	128
ESCROWED SECURITIES	128
AUDITOR, TRANSFER AGENT AND REGISTRAR	130
GENERAL MATTERS.....	130
SPONSORSHIP.....	130
EXPERTS	130
OTHER MATERIAL FACTS	131
BOARD APPROVAL	131

- Schedule “A” - Annual audited financial statements of the Issuer for the years ended March 31, 2017 and 2016 and interim financial statements of the Issuer for the three months ended June 30, 2017 and 2016
- Schedule “B” - Management’s Discussion and Analysis of the Issuer for the year ended March 31, 2017 and for the three months ended June 30, 2017
- Schedule “C” - Consolidated financial statements of Chakana for the period from December 1, 2016 (date of incorporation) to August 31, 2017 (audited)

- Schedule “D” Management’s Discussion and Analysis of Chakana for the period from December 1, 2016 (date of incorporation) to August 31, 2017
- Schedule “E” - Pro forma statement of financial position of the Resulting Issuer as at August 31, 2017

GLOSSARY OF TERMS

The following is a glossary of certain defined terms used frequently throughout this Filing Statement. Terms and abbreviations used in the financial statements and management's discussion and analysis of the Issuer and Chakana are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

- “\$” or “C\$” means Canadian dollars
- “Affiliate” means a company that is affiliated with another company as described below:
- A company is an “Affiliate” of another company if:
- (a) one of them is the subsidiary of the other, or
 - (b) each of them is controlled by the same Person.
- A company is “controlled” by a Person if:
- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
 - (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.
- A person beneficially owns securities that are beneficially owned by:
- (a) a company controlled by that Person, or
 - (b) an Affiliate of that person or an Affiliate of any company controlled by that Person.
- “Amalco” means the combined business entity resulting from the amalgamation of 1124467 B.C. Ltd. and Chakana pursuant to the Transaction to be named “1124467 B.C. Ltd.”
- “Amalgamation” means the proposed amalgamation of Chakana and Remo Sub pursuant to the Amalgamation Agreement.
- “Amalgamation Agreement” means the Amalgamation Agreement dated October 5, 2017 among Chakana, the Issuer and Remo Sub in respect of the Transaction.
- “Associate” means, when used to indicate a relationship with a person or company:
- (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;

- (b) any partner of the person or company;
- (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity; or
- (d) in the case of a person, a relative of that person, including:
 - (i) that person's spouse or child, or
 - (ii) any relative of the person or of his spouse who has the same residence as that person;

But

- (e) where the Exchange determines that two persons will, or will not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination will be determinative of their relationships in the application of Rule D (as defined in applicable Exchange Policies) with respect to that Member firm, Member corporation or holding company.

“Assumption and Accession Agreement”	means the Assumption and Accession Agreement between Chakana and Condor Resources Inc. dated April 24, 2017, with respect to the option to purchase of certain mining rights in connection with the Soledad Project.
“BCBCA”	means the <i>Business Corporations Act</i> (British Columbia).
“Board”	means the Board of Directors of the Issuer or Resulting Issuer, as the context requires.
“Compañía Minera Casapalca S.A.”	means Compañía Minera Casapalca S.A.
“CEO”	means Chief Executive Officer.
“CFO”	means Chief Financial Officer.
“Chakana”	means Chakana Copper Corp., a British Columbia company.
“Chakana Broker Warrants”	means Chakana Warrants issued to eligible finders and agents in connection with financings completed by Chakana.
“Chakana Options”	means options to purchase Chakana Shares issued pursuant to the Chakana Stock Option Plan.
“Chakana Shares”	means common shares in the capital of Chakana.
“Chakana Shareholders”	means the holders of the Chakana Shares.

“Chakana Stock Option Plan”	means the incentive stock option plan of Chakana dated September 14, 2017.
“Chakana Sub”	means Chakana Resources S.A.C., a company incorporated under the laws of Peru.
“Chakana Warrants”	means share purchase warrants exercisable to purchase Chakana Shares.
“Closing”	means the closing of the Transaction.
“Closing Date”	means the date on which the Transaction is to be completed, which the Issuer expects will be on or before January 31, 2018, or such other date as agreed to by the Issuer and Chakana.
“company”	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
“Condor”	means Condor Resources Inc.
“Consolidation”	means the consolidation of the Remo Shares on the basis of one post-consolidation Remo Share for every 6.865385 pre-consolidation Remo Shares, to be completed prior to the Closing.
“Control Person”	means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.
“COO”	means the Chief Operating Officer.
“Effective Time”	means the effective time of the Transaction as set forth in the Certificate of Amalgamation issued to Amalco under the BCBCA.
“Escrow Agreement”	means the escrow agreement which is expected to be entered into at Closing among the Issuer, the Transfer Agent and certain shareholders of Chakana pursuant to which the Escrow Securities will be held in escrow.
“Escrow Securities”	means the 13,082,501 Resulting Issuer Shares, 1,620,584 Resulting Issuer Warrants and 2,125,000 Resulting Issuer Options held by principals of the Resulting Issuer to be subject to escrow under the Escrow Agreement, as set out under “Information Concerning the Resulting Issuer – Escrowed Securities – Escrow.”
“Exchange”	means the TSX Venture Exchange Inc.
“Filing Statement”	means this filing statement dated November 29, 2017, together with all Schedules.

“Final Exchange Bulletin”	means the Exchange bulletin issued following closing of the Reverse Takeover and the submission of all required documentation which evidences the final Exchange acceptance of the Reverse Takeover.
“Financings”	means the Share Financing and the Subscription Receipt Financing.
“Finder’s Fee”	means the finder’s fee of 200,000 Post-Consolidation Remo Shares payable to an arm’s length finder upon completion of the Transaction.
“Issuer” or “Remo”	means Remo Resources Inc., a corporation existing under the laws of the Province of British Columbia.
“Mining Assignment and Option Agreement”	means the Mining Assignment and Option Agreement dated April 17, 2017 between Chakana Sub and Minera Vertiente Del Sol S.A.C., with respect to the option to purchase of certain mining rights in connection with the Soledad Project.
“Mining Permit”	means the Authorization to Initiate Mining Activities approved by Resolution N°189-2013-MEM/DGM duly issued by the Ministry of Energy and Mines of Peru on July 18, 2013.
“NEO”	has the meaning set out in “Information Concerning Chakana – Compensation of Executive Officers – Named Executive Officer”.
“NI 43-101”	means National Instrument 43-101 <i>Standards of Disclosure for Mineral Projects</i> .
“Person”	means a company or individual.
“Principal”	has the meaning set out in the policies of the Exchange.
“Qualified Person”	has the meaning set out in NI 43-101.
“Related Party Transaction”	has the meaning set out in the policies of the Exchange.
“Remo Board”	means the Board of Directors of Remo.
“Remo Shares”	means common shares in the capital of the Issuer.
“Remo Sub”	means 1124467 B.C. Ltd., a wholly-owned subsidiary corporation of Remo, existing under the laws of the Province of British Columbia.
“Remo Warrants”	means common share purchase warrants exercisable to purchase Remo Shares.
“Reverse Takeover”	means the reverse takeover of the Issuer by Chakana pursuant to the Transaction.
“Resulting Issuer”	means the Issuer, as it exists upon Closing.
“Resulting Issuer Options”	means stock options that will be exercisable to purchase Resulting Issuer Shares.
“Resulting Issuer Shares”	means common shares in the capital of the Resulting Issuer.

“Resulting Issuer Warrants”	means common share purchase warrants that will be exercisable to purchase Resulting Issuer Shares.
“Share Financing”	means the non-brokered private placement of 8,602,500 Chakana Shares at a price of \$0.50 per Chakana Share, completed on November 7, 2017 and November 9, 2017 and more particularly described under “The Transaction – Description of the Transaction – The Financings”.
“Soledad Option”	means Chakana Sub’s option to acquire the Soledad Project pursuant to the Mining Assignment and Option Agreement.
“Soledad Project”	means the mineral exploration project being conducted pursuant to the Mining Permit located in Peru.
“Sponsor”	has the meaning set out in the policies of the Exchange.
“Stock Option Plan”	means the incentive stock option plan of the Issuer or the Resulting Issuer, as applicable, dated November 8, 2010, as amended October 30, 2014.
“Subscription Receipts”	means the subscription receipts of Chakana issued pursuant to the Subscription Receipt Financing and more particularly described under “The Transaction – Description of the Transaction – The Financings”.
“Subscription Receipt Financing”	means the non-brokered private placement of 11,397,500 Subscription Receipts at a price of \$0.50 per Subscription Receipt, completed on November 9, 2017 and more particularly described under “The Transaction – Description of the Transaction – The Financings”.
“Technical Report”	means the technical report dated effective September 3, 2017 on the Soledad Project prepared by Jerry Dennis Blackwell, P. Geo, titled “Technical Report on the Soledad Project”.
“Transaction”	means the proposed amalgamation of Chakana and Remo Sub pursuant to which the Issuer will acquire all of the issued and outstanding Chakana Shares in consideration for the issuance of the post-Consolidation Remo Shares in accordance with the terms of the Amalgamation Agreement.
“Transfer Agent”	means the Issuer’s transfer agent and registrar, TSX Trust Company.
“US\$”	means United States dollars.

GLOSSARY OF TECHNICAL TERMS

The following is a glossary of certain technical terms used in this Filing Statement with respect to the Soledad Project.

Glossary of Terms

“Acicular”	means needle-like form (of mineral grains)
“Acidic or felsic rock”	means rock with a SiO ₂ content above 63 weight percent.

“Adit”	means a horizontal tunnel from the surface, used for mining.
“Alteration”	means chemical and mineralogical changes in a rock mass resulting from the passage of fluids, generally produced by weathering or hydrothermal solutions.
“Alteration – Argillic”	means hydrothermal alteration that is marked by low temperature hydrous silicate minerals such as clay minerals including kaolinite, smectite and illite. It occurs at the edges of porphyry systems
“Alteration – Advanced Argillic”	means hydrothermal argillic alteration that is marked by higher temperature clay minerals such as dickite, as well as aluminous minerals such as andalusite and pyrophyllite. Marks fluids that are higher temperature and low pH
“Alteration – Phyllic”	means hydrothermal alteration that is characterised by the assemblage of quartz + sericite + pyrite, and occurs at high temperatures and moderately acidic (low pH) condition
“Alteration – Potassic”	means hydrothermal alteration that involves the formation of new potassium feldspar minerals and possibly some biotite. There may also be small amounts of sericite, chlorite and quartz. This type of alteration is typically found at the core of porphyry copper deposits, the result of alteration by very high temperature potassium-rich fluids.
“Alteration- Propylitic”	means hydrothermal alteration that is characterized by epidote–chlorite–albite alteration and veining along with pyrite or pyrrhotite. Propylitic alteration is found at the margins of porphyry copper deposits
“AMT (Audio-frequency Magneto-Telluric)”	means geophysical survey technique employing “natural source” and “controlled-source” electric and electromagnetic sources to detect changes in resistivity with depth from surface.
“Andesite”	means is an intermediate volcanic rock with a SiO ₂ content varying from 57% to 63%.
“Anomaly”	means an anomaly is a departure from the norm which may indicate the presence of mineralization in the underlying bedrock. Geochemical and Geophysical anomalies are two of the most common anomalies described in exploration.
“Arsenopyrite”	means an iron-arsenic sulphide. Chemical formula is FeAsS
“Assay”	means the chemical analysis of a rock or mineral to determine the amount of particular element or compound of interest. Precious metals are usually given in ounces per short ton or grams per metric tonne, while base metals are given in percentage.
“Assay wall”	means a boundary to a mineral deposit that is defined by assay results (economic vs not economic to mine) and not a geological contact.
“Aureole”	means a band or zone of altered rock around a geological feature such as an igneous intrusion.
“Base metal”	means any non-precious metal (e.g. copper, lead, zinc, nickel, etc.).

“Basic or mafic rock”	means rock with an SiO ₂ content between 45 and 53 weight percent
“Blank”	means a sample designed to monitor the introduction of artifacts into the analytical process. Preferably it is devoid of the primary elements of commercial interest and is hard and abrasive such that it “cleans” crushing and pulverizing equipment.
“Breccia”	means breccia is a rock whose components are angular fragments that are not water-worn surrounded by a matrix of finer-grained minerals. These fragments may be produced by volcanic explosion, faulting or sedimentary deposition.
“Breccia Pipe”	means a mass of breccia, often in cylindrical shape. Also called a chimney.
“Bulk sample”	means a large sample of mineralized rock, frequently hundreds of tonnes, selected in such a manner as to be representative of the potential orebody being sampled. The sample is usually used to determine metallurgical characteristics.
“Bullion”	means precious metal formed into bars or ingots.
“By-product”	means a secondary metal or mineral product, usually of lesser over-all value that is recovered in the milling process.
“Caldera”	means a large cauldron-like depression that forms following the evacuation of a magma chamber/reservoir such that structural support for the crust above the magma chamber is lost and the surface collapses leaving a massive depression.
“Certified Reference Material (CRM) or Standard”	means a control or standard used to validate analytical measurement methods.
“Chalcopyrite”	means one of the main sources of copper. Chemical formula is CuFeS ₂ .
“Channel Sample”	means a sample composed of pieces of vein or mineral deposit that have been cut out of a small trench or channel.
“Chip Sample”	means a method of sampling a rock exposure whereby a regular series of small chips of rock is broken off along a line across the face.
“CIM”	means the Canadian Institute of Mining, Metallurgy and Petroleum.
“CIM Standards”	means the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council from time to time. The most recent update adopted by the CIM Council is effective as of May 10, 2014.
“Cirque”	means a bowl-shaped basin with steep sides and a gently sloping floor formed in mountainous regions by the erosive action of a glacier. Also called a corrie or a cwm.
“Clay”	means a fine-grained material mostly composed of phyllosilicate minerals and containing variable amounts of water trapped in the mineral structure.
“Composite”	means combining more than one sample result to give an average result over a larger distance.
“Concentrate”	means a fine, powdery product from a milling and mineral enrichment process containing a high percentage of valuable metal and from which most of the

waste mineral has been eliminated.

“Conductivity”	means the degree to which a material conducts electricity, calculated as the ratio of the current density in the material to the electric field that causes the flow of current. It is the reciprocal of the resistivity.
“Contact”	means a geological term used to describe the line or plane along which two different rock formations meet.
“Copper Porphyries”	means copper porphyries are large low-grade deposits of copper which may also carry minor recoverable amounts of molybdenum, gold and silver. They must be amenable to bulk mining methods, that is open pit or, if underground, block caving. The typical porphyry copper deposit occurs within or enveloping an igneous intrusive body.
“Core”	means the long cylindrical piece of rock, about an inch in diameter, brought to surface by diamond drilling.
“Core sample”	means one or several pieces of whole or split parts of core selected as a sample for analysis or assay.
“Cross-cut”	means a horizontal opening driven from a shaft and (or near) right angles to the strike of a vein or other orebody. The term is also used to signify that a drill hole is crossing the mineralization at or near right angles to it.
“Crushing and Grinding”	means mined ores have to be crushed and milled into a fine powder to liberate the economic mineral particles in a number of stages.
“Cut-off grade”	means the lowest grade of mineralized rock that qualifies as ore grade in a given deposit, and is also used as the lowest grade below which the mineralized rock currently cannot be profitably exploited. Cut-off grades vary between deposits depending upon the amenability of ore to gold extraction and upon costs of production.
“Dacite”	means the extrusive (volcanic) equivalent of quartz diorite.
“Decline”	means a sloping underground opening for machine access from level to level or from surface; also called a ramp.
“Deposit”	means an informal term for an accumulation of mineralization or other valuable earth material of any origin.
“Development drilling”	means drilling to establish accurate estimates of mineral resources or reserves usually in an operating mine or advanced project.
“Diamond Drill-holes”	means holes drilled by a method whereby rock is drilled with a diamond impregnated, hollow drilling bit that produces a continuous, in situ record of the rock mass intersected in the form of solid cylinders of rock which are referred to as core.
“Diatreme”	means a volcanic pipe formed by a gaseous explosion.
“Dilution”	means rock that is, by necessity, removed along with the mineralization in the mining process, subsequently lowering the mining grade.

“Diorite”	means an intrusive igneous rock composed chiefly of sodic plagioclase, hornblende, biotite or pyroxene.
“Dip”	means the angle at which a feature is inclined from the horizontal
“Dipole, Pole-Dipole”	means in IP surveys, the pole-dipole array contains four collinear electrodes. One of the current (source) electrodes is installed at an “effective infinity” distance, which is approximately five to ten times the survey depth. The other current electrode is placed in the vicinity of the two potential (receiver) electrodes.
“Disseminated”	a texture in which minerals occur as scattered particles in the rock.
“Drill Core”	The cylindrical piece of rock, usually between one and three inches in diameter brought to surface by diamond drilling.
“Drill-hole Collar”	means marker indicating past drill holes. Information about the hole will be indicated by a tag and will generally include: Drill-hole identification number (drilling log), location, depth, azimuth, and dip).
“Dyke”	means an intrusive tabular body of igneous rock that cuts across the layering or fabric of the host rock.
“Electromagnetic Survey”	means a geophysical survey method which measures the electromagnetic properties of rocks.
“Environmental Impact Study”	means a written report that examines the effects proposed exploration and mining activities will have on the natural surroundings.
“Epithermal”	means a term applied to hydrothermal mineral deposits formed within one kilometre of the earth’s surface, in the temperature range of 50 to 200°C.
“Exploration”	means prospecting, sampling, mapping, diamond drilling and other work involved in searching for mineral deposits.
“Exploration Geophysics”	means the applied branch of geophysics which employs various methods to measure the physical properties of the earth's subsurface, in order to detect or infer the presence and position of valuable minerals, hydrocarbons, geothermal reservoirs, groundwater reservoirs, and other geological structures. Seismic, gravitational, magnetic, electrical and electromagnetic methods are often employed.
“Fabric”	means the spatial arrangement and orientation of rock components, whether crystals or sedimentary particles, as determined by their sizes, shapes, etc.
“Fault”	means a fracture in a rock across which there has been displacement.
“Fire assay”	means assaying method commonly used for the determination of precious metal content.
“Flotation”	means a mineral separation process in which valuable mineral particles are induced to become attached to bubbles and float as others sink.
“Fold”	means a bend in strata or any planar structure.

“Foliation”	means the preferred planar orientation of minerals and mineral aggregates in metamorphic rocks.
“Footwall”	means the rock on the underside of a vein or mineralized structure or deposit.
“Fracture”	means a break in the rock, the opening of which may allow mineral-bearing solutions to enter. A "cross-fracture" is a minor break extending at more-or-less right angles to the direction of the principal fractures.
“Galena”	means is the most important source of lead. Geochemical formula is PbS.
“Gangue”	means non-rofitable minerals found in rock or other material in which valuable minerals are also found.
“Geochemical surveying”	means technique, which measures the content of specific metals in soils and rocks, geochemical sampling defines anomalies for further testing.
“Geometallurgical Modelling”	means modelling by combining geology and geostatistics with extractive metallurgy, to create a geologically based predictive model for mineral processing plants. It is used for risk management and mitigation during mineral processing plant design.
“Geophysical surveying”	means a technique which measures the physical properties (chargeability, resistivity, magnetism etc) of rocks and define anomalies for further testing.
“Geotechnical”	means rock feature data collection of information used for rock stability purposes.
“Grab samples”	means samples of outcrop that are taken to confirm the presence of mineralization. They do not measure grades over lengths of rock but are instead considered to be “point” samples.
“Grade”	means a term used to indicate the concentration of an economically desirable mineral or element in its host rock as a function of its relative mass. Cut-off grade: the minimum metal grade at which an orebody can be economically mined (used in the calculation of ore reserves). High grade – Highly concentrated or “rich” mineralization.
“Grade (assay) capping”	means assays data is statistically analysed for “outlier” data, or extreme high values, that may significantly skew simple summary statistics like the mean grade, variance and coefficient of variation. Assay results above a certain concentration are reduced to an upper limit, or “capped”. This is to lower the risk of distorting the average grade.
“Gram”	means one gram is equal to 0.0321507 troy ounces.
“Granitoid”	means granitoid or granitic rock is a variety of coarse grained intrusive rock similar to granite which is composed predominantly of feldspar and quartz.
“Gross Over-riding Royalty”	means a royalty based on all revenues in cash or in-kind products received by the operator from the sale of production. Costs of drilling and producing are not deductible.
“Hanging wall”	means the rock on the upper side of a vein or mineral deposit.

“Heap Leaching”	means a process whereby valuable metals (usually gold and silver) are leached from a heap, or pad, of crushed ore by leaching solutions percolating down through the heap and are collected from a sloping, impermeable liner below the pad.
“Hectare”	means an area equal to 100 meters by 100 meters.
“High Sulphidation”	means epithermal mineralization/alteration characterized by leached silicic rock associated with acidic fluids generated in the volcanic-hydrothermal environment. Also called acid-sulphate alteration
“Histogram”	means a graphical representation of the distribution of numerical data. The entire range of values in the data are packaged into a series of intervals—and the number of values within each interval are counted.
“Host rock”	means the volume of rock within which mineralization occurs.
“Hydrothermal”	means hot water, applied to metamorphic and magmatic emanations, the processes in which they are concerned; and the rocks or ore deposit types, alteration products, and springs produced by hot water.
“Hyperspectral core imaging”	means a method of analysing rocks using reflected wavelength analysis in the visible and near-infrared, spectrums. The technique is an aid to identification and mapping of hydrothermal alteration, which will then assist in defining alteration assemblages
“Hypogene”	means primary form of mineralization formed deep below the surface.
“Igneous”	means a type of rock that is crystallized from a liquid magma.
“Induced Polarization”	means a method of ground geophysical surveying employing an electrical current to determine indications of mineralization. IP survey can be made in time-domain and frequency-domain mode. In time domain Induced polarization method, voltage decay is observed as a function of time after the injected current is switched off. In frequency-domain Induced polarization mode, an alternating current is injected into the ground with variable frequencies. Voltage phase-shifts are measured to evaluate impedance spectrum at different injection frequencies, which is commonly referred to as spectral IP
“In-fill Drilling”	means drilling intervals between existing holes, used to provide greater geological detail and to help establish resource and reserve estimates.
“In-situ”	means in place.
“Intrusive”	means a body of igneous rock formed by the consolidation of magma intruded into other, usually older rocks. Contrast with lavas, which are extruded upon the surface.
“Inversion Modelling”	means a complex analytical approach to treating geophysical data. The survey site is modeled based upon geology, location, topography etc, and then the field data is brought into the theoretical model. Another set of possible models are created which are dealt with individually to arrive at an optimal model that considers a logical fit balancing geological and geophysical factors.
“Kurtosis”	means a statistical measure that's used to describe the distribution, or skewness,

of observed data around the mean.

“Leaching”	means the separation, selective removal or dissolving-out of soluble constituents from a rock. Also a chemical process for the extraction of valuable minerals from ore.
“Level”	means the horizontal openings on a working horizon in a mine; it is customary to work mines by establishing levels at regular intervals, often about 50 m or more apart.
“Limestone”	means a bedded, sedimentary deposit consisting chiefly of calcium carbonate
“Logging”	means the process of recording geological observations of drill core either on paper or on computer disk
“Magmatic Hydrothermal”	means hydrothermal activity derived from magmatic (intrusive) sources.
“Magnetite”	means a mineral, also an iron oxide (Fe_3O_4) and a member of the spinel group.
“Magnetometer”	means a geophysical instrument used to measure the relative magnetic properties of underlying rocks.
“Massive sulphide”	means rock with greater than 70% sulphide minerals by volume.
“Metallurgical test”	means studies pertaining to the production, purification and properties of metals and their extraction
“Metallurgy”	means the study of extracting metals from their host rocks
“Mill”	means a processing facility in which mineralization is treated and metals are recovered or prepared for smelting; also a revolving drum used for the grinding in preparation for further treatment.
“Mine”	means an excavation beneath the surface of the ground from which minerals of value are extracted.
“Mineral Concession”	means that portion of public mineral lands which a party has acquired in accordance with federal mining laws to acquire the right to explore for and exploit the minerals under the surface
“Mineral Domain”	means regions within a deposit with geologically unique characteristics.
“Mineral Reserve”	means the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.
“Mineral Resource”	means Mineral Resource in accordance with CIM Definition Standards, is a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence

and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

“Mineralization”	means the concentration of metals and their chemical compounds within a body of rock.
“Mineralized Material”	means mineralized material is the projection of mineralization in rock based on geological evidence and assumed continuity. It may or may not be supported by sampling but is supported by geological, geochemical, geophysical or other data. This material may or may not have economically recoverable mineralization.
“Moraine”	means a ridge-like landform created by the movement of a glacier. Most often occurs along edges or toe of a glacier.
“Net Smelter Return (NSR)”	means the net revenues generated from the sale of metal produced by a mine.
“Net Smelter Return Royalty”	means a payment made by a producer of metals based on the value of the gross metal production from the property, less deduction of certain limited costs usually including smelting, refining, transportation and insurance costs.
“Open pit”	means a mine where the minerals are mined entirely from the surface. Also referred to as open-cut or open-cast mine.
“Orogen”	means forces and events leading to a large structural deformation of the earth's lithosphere (crust and uppermost mantle) due to the interaction between tectonic

plates.

- “Ounce (oz)”** means a troy ounce weighs 31.103 grams. An imperial ounce weighs 28.4 grams. The avoirdupois ounce is widely used as part of the United States customary and British imperial systems, but the troy ounce is now only commonly used for the mass of precious metals.
- “Outcrop”** means an exposure of rock or mineral deposit that can be seen on surface not covered by soil or water.
- “Overburden”** means the alluvium and rock that must be removed in order to expose underlying rock.
- “Oxidation”** means a chemical reaction caused by exposure to oxygen that result in a change in the chemical composition of a mineral.
- “Pathfinder elements”** means in geochemical exploration, a relatively mobile element that occurs in close association with the commodity being sought, but can be more easily found because it forms a broader halo or can be detected more readily by analytical methods. A pathfinder serves to lead investigators to a deposit of a desired substance.
- “Peneplain”** means a relatively level land surface produced by erosion over a long period, undisturbed by crustal movement.
- “Plant”** means a building or group of buildings in which a process or function is carried out; at a mine site it will include warehouses, hoisting equipment, compressors, maintenance shops, offices and the mill or concentrator.
- “Polymetallic mineralization”** means mineralization that is the source of more than one metal suitable for recovery.
- “Porphyry”** means igneous rock in which relatively large crystals, called phenocrysts, are set in a fine-grained groundmass.
- “Porphyry copper deposit”** means a disseminated large-tonnage, low-grade deposit, in which the copper minerals occur as discrete grains and veins throughout a large volume of rock.
- “Primary Mineralization”** means valuable minerals deposited during the original period or periods of mineralization as opposed to those deposited as a result of alteration or weathering. Also called “hypogene”.
- “Processing Plant”** means a building or group of buildings in which ore crushing and processing is performed.
- “Pyrite”** means is an iron sulphide with the chemical formula Fe_2S .
- “QA/QC”** means quality assurance/quality control in a mineral exploration and mining context is the combination of quality assurance, the process or set of processes used to assure data quality, and quality control, the process of identifying data outside of established tolerance limits.
- “Qualified Person”** means a qualified person (QP) as defined in NI 43-101 as an individual who:
a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or

any combination of these;
b) has experience relevant to the subject matter of the mineral project and the technical report; and
c) is a member in good standing of a professional association.

“Quartz”	means a mineral composed of silicon dioxide.
“Reclamation”	means the process by which lands disturbed as a result of exploration and mining activity are reclaimed back to a beneficial land use. Reclamation activity may include the removal of buildings, equipment, machinery and other physical remnants of mining, closure of tailings impoundments, leach pads and other mine features, and contouring, covering and re-vegetation of waste rock piles and other disturbed areas.
“Resistivity and Resistivity Survey”	means geophysical technique used to measure the resistance of a rock formation to an electric current.
“Reverse Circulation Drilling”	means the drilling mechanism is a pneumatic reciprocating piston known as a hammer driving a tungsten-steel drill bit. Reverse circulation is achieved by blowing air down the rods; the differential pressure creating air lift of the water and cuttings up the inner tube which is inside each rod
“Rhyolite”	means a volcanic rock containing more than 69% SiO ₂ .
“Roche Moutonnée”	means a glacial landform applied to a rock hill shaped by the passage of ice to give a smooth up-ice side and a rough, plucked and cliff-girt surface on the down-ice side.
“Sample”	means a small quantity of rock or a mineral deposit taken so that the metal content can be determined by assaying. This term can also be applied to environmental monitoring as samples are taken to establish baseline studies as well as to observe over time.
“Secondary Enrichment”	means the process whereby a vein or mineral deposit has been enriched by minerals that have been taken into solution from one part of the vein or adjacent rocks and re-deposited in another. Secondary enrichment usually results in higher concentrations of ore although this is not always the case.
“Shaft”	means an opening cut downwards from the surface, used for mining.
“Sill”	means a tabular, horizontal to sub-horizontal body of igneous rock formed by the injection of magma into planar zones of weakness.
“Skarn”	means the name for the metamorphic rocks surrounding an igneous intrusive where it comes in contact with a limestone or dolostone formation.
“Sphalerite”	means a mineral that is the chief ore of zinc. Composition is as follows: (Zn, Fe, Mn)S
“Stope”	means an underground void created by mining.
“Stratigraphy”	means the study of stratified rocks in terms of time and space.
“Strike”	means the direction or trend of a geologic structure as it intersects the

	horizontal. Always perpendicular to the dip direction
“Strike length”	means the longest horizontal dimension of an orebody or zone of mineralization.
“Sulphide (sulfide)”	means a mineral that is sulphur-bearing but no oxygen
“Supergene Enrichment”	means a mineral deposition process in which near-surface oxidation produces acidic solutions that leach metals, carry them downward, and re-precipitate them at or near the ground water table, thus enriching sulfide minerals already present.
“System”	means a regularly interacting or interdependent group of items forming a unified whole.
“Tailings”	means the material rejected from a mill after all economically and technically recoverable valuable minerals have been recovered.
“Tailings Pond”	means a facility used to confine tailing runoff or leached effluents permitting heavy metals to settle out before water is processed and discharged.
“Tenure”	means the act, right, manner, or term of holding something (such as a land, property or buildings).
“Till”	means unsorted material first eroded then deposited by a glacier
“Till – ablation”	means till deposited as a result of the melting of a glacier, incorporating unsorted boulders and debris previously held captive in the ice
“Till – basal”	means till deposited at the base of a glacier. Material is formed as a result of the grinding action of the glacier.
“Ton”	also referred to as “short ton”, means a United States Customary unit of weight equivalent to 2000 pounds.
“Tonne”	means a metric unit of weight equivalent to volume multiplied by specific gravity; equivalent to 1.102 tons or 1,000 kilograms (2,204.6 pounds).
“Trenching”	means exposing near-surface geology by digging a trench.
“Tuffs”	means ash-flow tuffs are consolidated deposits of volcanic ash, which were emplaced by flowage of a turbulent mixture of gas and pyroclastic materials. Ash-flow deposits consist principally of glass shards and pumice fragments that are usually less than 0.15 inch in length, although some flows consist of ejecta of larger size.
“UTM”	means Universal transverse Mercator (geographical coordinates system)
“Vein”	means a sheet-like body of minerals formed by fracture-filling or replacement of the host rock, but with edges clearly separating it from neighboring rock.
“Veinlet”	means a very narrow vein
“Volcanic”	means formed by volcanic activity.

“Wall rocks”	means rock units on either side of an orebody.
“Waste”	means un-mineralized, or sometimes mineralized, rock that is not minable at a profit.
“Weathering”	means the degradation of rocks at the Earth's surface by climatic forces.
“Working(s)”	means a shaft, quarry, level, open-cut, open pit, or stope etc. Usually noted in the plural.
“Zone”	means an area of distinct mineralization.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Filing Statement are forward-looking statements or information (collectively “**forward-looking statements**”) within the meaning of applicable securities legislation. We are hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “expects”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements in this Filing Statement include, but are not limited to:

- statements related to the completion of the Transaction and the events related thereto and contingent thereon;
- information with respect to our future financial and operating performance and that of our affiliates and subsidiaries;
- the proposed use of proceeds available to the Resulting Issuer;
- future exploration and development activities, and the costs and timing of those activities;
- timing and receipt of approvals, consents and permits under applicable legislation;
- our assessment of potential environmental liabilities and regulatory issues;
- results of future development drilling;
- metals prices;
- adequacy of financial resources;
- statements in respect of the proposed composition of the management of the Resulting Issuer and our expected executive compensation; and
- escrow and resale restrictions that will be applicable to the securities of the Resulting Issuer.

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things: our ability to carry on development activities, the timely receipt of required approvals, the price of metals, our ability to operate in a safe, efficient and effective manner and our ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

By their nature, forward-looking statements involve numerous inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Issuer, Chakana or the Resulting Issuer, that could influence actual results include, but are not limited to risks relating to the following: risks to operations in Peru; political instability; nationalization of the mining industry; local residents and non-governmental organizations; governmental regulations; regulatory requirements in Peru; environmental risks; Mining Permit for the Soledad Project; substantial capital requirements and liquidity; no mineral resources or reserves; development and operating risks; reliance on management and dependence on key personnel; risk of unionization by non-management employees; health and safety risks; limited operating history; fluctuating mineral prices; currency fluctuations; supply chain interruptions; competition; risks of foreign operations; uninsurable risks; litigation; dividends; and other factors beyond the control of the Issuer, Chakana or the Resulting Issuer. See “Risk Factors”.

Our forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this Filing Statement. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements. We do not undertake to update any forward-looking statements, except as, and to the extent required by, applicable securities laws.

SUMMARY

The following is a summary of information relating to the Issuer, Chakana and the Resulting Issuer (assuming completion of the Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement

The Issuer

The Issuer is a company incorporated under the BCBCA and is listed on the Exchange. The Issuer completed its initial public offering of 4,000,000 common shares for gross proceeds of \$800,000 on December 21, 2012. The Issuer is in the business of exploration, development and exploitation of mineral resources in Canada. The Issuer's primary objective is to explore mineral properties to a stage where they can be developed profitably or sold to a third party. The Issuer has acquired the Adrian property, located in British Columbia, consisting of 7 claims, through staking. With a view to the preservation of capital, the Issuer is not currently carrying out any exploration activities on its project. See "Information Concerning the Issuer".

Chakana

Chakana was incorporated under the provisions of the *Business Corporations Act* (British Columbia) on December 1, 2016 and currently has 50,036,382 common shares, share purchase warrants to purchase up to 12,400,299 common shares, stock option to purchase up to 3,635,000 common shares and Subscription Receipts convertible into 11,397,500 common shares outstanding. 43,000 common shares and warrants to purchase up to an additional 539,825 common shares will be issued prior to Closing as finders' fees in connection with the Subscription Receipt Financing. Chakana's primary business is mineral exploration in Peru, specifically on the Soledad Project. Chakana is at arm's length to Remo, other than the fact that a director or Chakana, Darren Devine, is a former director of Remo. Chakana holds all issued and outstanding securities in Chakana Sub, a Peruvian company which has an option to acquire a 100% ownership interest in the Soledad Project. See "Information Concerning Chakana".

The Soledad Project

The Soledad Project is located in the Cordillera Negra, or western ranges of the Andes Mountains, 260 kilometres north-northwest of the City of Lima, Perú. Chakana has done preparatory exploration at Soledad, partially to confirm historical exploration results but also to more accurately define targets and to investigate mineralogy, update computer modelling and planning optimal drill locations. Soledad is of interest owing to the favourable results of historical exploration between 2012 and 2016 by Condor, Mariana and Casapalca. Exploration work by these companies included surface rock sampling, prospecting, grid-based magnetometer and IP geophysical surveys, and two phases of core drilling totalling 4,855 metres in 16 holes. Chakana has completed detailed due diligence at Soledad, partially to confirm historical exploration results but also to more accurately define targets, to investigate mineralogy, update computer modelling and plan optimal drill locations. As of the Effective Date, Chakana has completed a program of ground geophysics and drilled five core holes as part of the recommended work program. See "Information Concerning Chakana — The Soledad Project."

Summary of Reverse Takeover

The Issuer has entered into the Amalgamation Agreement whereby it will acquire all of the issued and outstanding Chakana Shares from the Chakana Shareholders (including Chakana Shares issued pursuant to the Financings) in consideration for the issuance of an aggregate 61,476,882 post-Consolidation Remo Shares to the Chakana Shareholders, representing approximately 97.6% of the issued and outstanding Resulting Issuer Shares on an undiluted basis. See “The Transaction”.

Upon completion of the Transaction, the Resulting Issuer is expected to have approximately 62,976,882 Resulting Issuer Shares, 12,940,124 Resulting Issuer Warrants and 3,635,000 Resulting Issuer Options issued and outstanding. See “Information Concerning the Resulting Issuer — Fully Diluted Share Capital.”

Financings

In connection with the Transaction, Chakana has completed the Share Financing for 8,602,500 Chakana Shares at a price of \$0.50 per share and the Subscription Receipt Financing for 11,397,500 Subscription Receipts (which will be exchanged for Chakana Shares prior to Closing on certain conditions being met) at a price of \$0.50 per Subscription Receipt. The Chakana Shares issued in connection with the Financings will be exchanged for Resulting Issuer Shares pursuant to the Transaction. See “The Transaction – Description of the Transaction – The Financings”.

Related Party Transaction

The Exchange has determined the Transaction to be a Related Party Transaction under the policies of the Exchange on the basis that a former director of the Issuer, Darren Devine, is also a director of Chakana. Accordingly, the Issuer will be seeking disinterested approval of the Remo shareholders for the Transaction by way of written consent.

Directors and Management

Following the completion of the Transaction, it is anticipated that all of the current officers and directors of the Issuer will resign from their respective positions with the Issuer. It is currently anticipated that the management of the Resulting Issuer will include each of David Kelley (President and CEO) and Kevin Ma (CFO and Corporate Secretary). The Board of Directors of the Resulting Issuer is expected to consist of Douglas J. Kirwin (Chair), David Kelley, John Black, Thomas E. Wharton and Darren Devine. See “Information Concerning the Resulting Issuer — Directors, Officers, and Promoters”.

Reason for the Transaction

The Transaction will enable the shareholders of the Resulting Issuer to participate in a company whose primary business is the exploration and development of the Soledad Project, being managed by directors and officers who have experience in: (i) the mining industry; (ii) financing in public markets; and (iii) operation of a public company.

Approval of Directors

The Board of Directors of the Issuer has reviewed and approved the terms and conditions of the Transaction and has concluded that they are fair and reasonable and are in the best interests of the Issuer.

Interests of Insiders, Promoters or Control Persons

The Principals of Remo currently hold 2,814,000 Remo Shares. No insider, promoter or Control Person of Remo and no Associate or Affiliate of the same, has any interest in the Transaction other than (i) that which arises from their holdings of Remo Shares, (ii) Michael Schaefer, who is an insider of Remo by virtue of holding approximately 13% of the issued and outstanding Remo Shares, holds 2,500,000 Chakana Shares and 1,250,000 Chakana Warrants, or (iii) as otherwise disclosed herein.

Use of Available Funds

As of October 31, 2017, and after giving effect to the Transaction, the Resulting Issuer will have an estimated working capital of approximately C\$10,392,389. It is the Resulting Issuer’s intention to use these funds to fund operations after the Completion of the Reverse Takeover as follows:

<i>Use of Available Funds</i>	
Soledad Project Work Program	C\$3,295,000
Contingency relating to the Soledad Project	C\$395,400
Property payments	C\$94,000
General and administrative costs	C\$1,589,000
Estimated costs to complete the Transaction	C\$105,000
Unallocated working capital	C\$4,913,989
Total	C\$10,392,389

The Resulting Issuer’s working capital will be sufficient to fund its planned operations for at least the next twelve months, including funding for the current work program for the Soledad Project.

Pending utilisation of the available funds, the Resulting Issuer intends to invest the funds in short term, interest bearing instruments.

The Resulting Issuer intends to use the available funds as indicated above. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See “Available Funds and Principal Purposes”.

Selected Pro Forma Consolidated Information

The following table sets out the pro forma financial information of the Resulting Issuer after giving effect to the Transaction and should be read in conjunction with the pro forma statement of financial position of the Resulting Issuer attached as Schedule “E”.

(Unaudited)	Remo Resources Inc. (as of June 30, 2017) \$	Chakana Copper Corp. (as of August 31, 2017) \$	Pro-Forma Adjustments \$	Pro-Forma Combined \$
Current Assets	291,078	2,936,963	9,676,512	12,904,553
Total Assets	297,179	3,026,583	9,676,512	13,000,274
Current Liabilities	24,627	410,156	120,000	554,783
Shareholders’ Equity	272,552	2,616,427	9,556,512	12,445,491
Total Liabilities and Shareholders’ Equity	297,179	3,026,583	9,676,512	13,000,274

Market for Securities

The Remo Shares are currently listed on the Exchange under the symbol “RER”. The price of the Remo Shares on the last day the Remo Shares traded prior to the announcement of the Transaction was \$0.09. The Remo Shares have been halted from trading on the Exchange since October 5, 2017. See “Stock Exchange Price” for more information.

Conflicts of Interest	Directors or officers of the Resulting Issuer may, from time to time, serve as directors or officers of, or participate in ventures with other companies involved in natural resource development. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of the BCBCA to act at all times in good faith in the interests of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise. As of the date of this Filing Statement, to the best of its knowledge, the Issuer is not aware of the existence of any conflicts of interest between the Issuer and any of the directors or officers of the Issuer.
Sponsor for the Reverse Takeover	The Exchange has provided the Issuer with a waiver from the requirement to obtain a Sponsor in connection with the transactions contemplated herein.
Exchange Approval	The Exchange has conditionally accepted the Transaction subject to the Issuer fulfilling all of the requirements of the Exchange on or before February 28, 2018.
Interests of Experts	To the best of the Issuer's knowledge, no direct or indirect interest in the Issuer is held or will be received by any expert. Refer to "Experts" for more information.
Risk Factors	An investment in the Resulting Issuer following completion of the Transaction involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of the Issuer and the Resulting Issuer. The risks, uncertainties and other factors, many of which are beyond the control of the Resulting Issuer, that could influence actual results include, but are not limited to risks relating to the following: risks to operations in Peru; political instability; nationalization of the mining industry; local residents and non-governmental organizations; governmental regulations; regulatory requirements in Peru; environmental risks; Mining Permit for the Soledad Project; substantial capital requirements and liquidity; no mineral resources or reserves; development and operating risks; reliance on management and dependence on key personnel; risk of unionization by non-management employees; health and safety risks; limited operating history; fluctuating mineral prices; currency fluctuations; supply chain interruptions; competition; risks of foreign operations; uninsurable risks; litigation; dividends; and other factors beyond the control of the Resulting Issuer. For a detailed description of certain risk factors relating to the Transaction and the ownership of Resulting Issuer Shares, which should be carefully considered before making an investment decision, see "Risk Factors".
Currency	In this Filing Statement, references to "\$" or "dollars" are to the lawful currency of Canada, unless otherwise stated. All references to "USD" are to the lawful currency of the United States.

RISK FACTORS

The following are certain factors relating to the business of the Issuer assuming completion of the Transaction, which factors investors should carefully consider when making an investment decision concerning the Remo Shares or Resulting Issuer Shares. These risks and uncertainties are not the only ones facing the Resulting Issuer. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently deems immaterial, may also impair the operations of the Resulting Issuer. If any such risks actually occur, the financial condition, liquidity and results of operations of the Resulting Issuer could be materially adversely affected and the ability of the Resulting Issuer to implement its growth plans could be adversely affected.

An investment in the Issuer or the Resulting Issuer is speculative. An investment in the Issuer or the Resulting Issuer will be subject to certain material risks and investors should not invest in securities of the Issuer or the

Resulting Issuer unless they can afford to lose their entire investment. The following is a description of certain risks and uncertainties that may affect the business of the Resulting Issuer.

Option over the Soledad Project

The Resulting Issuer's right to maintain and exercise its option over the Soledad Project (the "Soledad Option") will be dependent upon its compliance with the Mining Assignment and Option Agreement and the Assumption and Accession Agreement. Option payments must be made and minimum work expenditure commitments must be incurred in order to maintain and exercise the Soledad Option. In addition, subsequent to the exercise of the Soledad Option, the Resulting Issuer is required to make contingent payments to the optionor. There can be no assurance that the Resulting Issuer will be able to comply with the provisions of the Mining Assignment and Option Agreement. If the Resulting Issuer is unable to fulfil the requirements of such agreement, it is likely that it would be considered in default of such agreement and the agreement could be terminated resulting in the loss of all rights to the Soledad Option and the Soledad Project, and the loss of all option payments made and expenditures incurred pursuant to the Soledad Option to the date of termination of the Mining Assignment and Option Agreement. Additional funding will be required to fund the work expenditure commitments on the Soledad Project. There is no assurance that such funds will be available. Failure to obtain adequate financing on a timely basis could result in the loss of the Resulting Issuer's right to maintain and exercise the Soledad Option.

Risks to Operations in Peru

The Resulting Issuer's exploration activities on the Soledad Project may be affected by political instability, social unrest and government regulations relating to foreign investment, corporate activity, and the mining business in Peru. Operations may also be affected in varying degrees by terrorism, military conflict or repression, crime, extreme fluctuations in currency rates and high inflation. The Mining Permit granted by the Government of Peru will enable the Resulting Issuer to conduct exploration and development activities. Notwithstanding this arrangement, the Resulting Issuer's ability to conduct exploration and development activities or to later expand its operations will be subject to obtaining and/or renewing licenses, permits or concessions, changes in laws or government regulations or shifts in political attitudes beyond its control.

Political Instability

South America is a continent with many countries which experience, amongst other things, political insurgency and criminal activity relating to drug trafficking. As such, the Resulting Issuer may be subject to governmental, political, economic, and other uncertainties, including, but not limited to, expropriation of property without fair compensation, changes in policies or the personnel administering them, nationalization, currency fluctuations and devaluations, exchange controls and royalty increases, changes in mineral pricing policy, renegotiation or nullification of existing contracts and licenses, changes in taxation policies, and other risks arising out of foreign governmental sovereignty over the areas in which the Resulting Issuer's operations are conducted. There is also a risk of other adverse developments, such as labour unrest, and civil unrest. There can be no assurance that future social unrest will not have an adverse impact on the Resulting Issuer.

Political issues and instabilities could impact the Resulting Issuer's licenses and permits, the Soledad Project, and the Resulting Issuer's proposed and any future work programs. The timing of the Resulting Issuer's work programs may also be adversely affected as additional efforts may be required to accommodate those regulatory changes and additional business costs may be triggered. There continues to be a risk of future political instability not only within Peru but in the surrounding countries as well.

Nationalization of the Mining Industry

As governments struggle with deficits and concerns over the effects of depressed economies, companies in the mining and metals sector continue to be targeted to raise government revenue. Governments are continually assessing the fiscal terms of the economic rent for mining companies to exploit resources in their countries. Peru has in the past introduced changes to its mining regimes that reflect increased government control or participation in the mining sector, and there can be no assurance that it will not do so again in the future. There can also be no assurance that industries deemed of national or strategic importance like mineral production will not be nationalized. The

Resulting Issuer's assets may be subject to nationalization, expropriation or confiscation, whether legitimate or not, by any authority or body. While there are often provisions for compensation and reimbursement of losses to investors under such circumstances, there is no assurance that such provisions would effectively restore the value of the Resulting Issuer's original investment or that such restoration would occur within a reasonable timeframe.

There also can be no assurance that the laws in Peru protecting foreign investments will not be amended or abolished or that these existing laws will be enforced or interpreted to provide adequate protection against any or all of the risks. Furthermore, there can be no assurance that any agreement in place between the government and the Resulting Issuer will prove enforceable or provide adequate protection against any or all of the risks.

Local Residents and Non-Governmental Organizations

Inequitable economic development in countries like Peru has resulted in an increase in community activism and expectations by local governments for resource companies to increase their contributions to local communities. There is an increased perception that resource companies have been taking an unfairly rich benefit from the countries' natural resources, while causing significant environmental damage. The Resulting Issuer may experience discontent from various community groups and face increased scrutiny of its mining operations. Community groups in Peru have staged protests and roadblocks at other mining operations in the past. There can be no assurance that the Resulting Issuer's operations will not be disrupted by civil action or be subject to restrictions or imposed demands that will impact future cash flows, earnings, results of operation, financial condition, and reputation.

Governmental Regulations

The activities of the Resulting Issuer in connection with the Mining Permit will be subject to Peru approvals, various laws governing development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Although the Issuer believes that activities on the Soledad Project are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or production. Amendments to current laws and regulations governing operations and activities of mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Resulting Issuer. Further, any current or future licenses and permits may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses and permits. In the event of revocation, the value of the Resulting Issuer's investments in the Soledad Project will decline. If the Reporting Issuer does not comply with the laws and regulations of Peru, the Government could conduct a review into the activities of the Resulting Issuer and may issue decrees to revoke land use rights of the Resulting Issuer.

Regulatory Requirements in Peru

The proposed or future activities of the Resulting Issuer will require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land and water use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Resulting Issuer may require for the facilities and conduct of development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on the Soledad Project.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in development and production operations may be required to compensate those suffering loss or damage by reason of the development and production activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in capital expenditures and development costs or require abandonment or delays in the development of the Soledad Project.

The Resulting Issuer may encounter regulatory and/or permitting delays. The Resulting Issuer will utilize its best efforts to ensure timely application for any government permits necessary for carrying out its operations in Peru. However, its past ability to obtain all necessary permits in a timely fashion is not a guarantee of future results as events like bureaucracy and minor changes in legislation that are beyond the Resulting Issuer's control could substantially impede the timing of receiving essential permits and delay or stall the Resulting Issuer's exploration efforts.

Environmental Risks

The Resulting Issuer's exploration and development activities on the Soledad Project will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and federal and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

If the environmental laws and regulations relating to the Resulting Issuer's activities were to change, or the enforcement of such laws and regulations were to become more rigorous, the Resulting Issuer could be required to incur significant expenditures to comply, which could have a material adverse effect on its future cash, flows, earnings, results of operations and financial condition, its ability to develop projects further, and increase its reserves and resources.

The Resulting Issuer may also be required to establish a decommissioning and reclamation plan for the Soledad Project. Provision made for the cost of decommissioning and reclamation can be significant and are subject to change. It cannot be predicted what level of decommissioning and reclamation may be required in the future by regulators. If the Resulting Issuer is required to comply with significant additional regulations or if the actual cost of future decommissioning and reclamation is significantly higher than current estimates, this could have an adverse impact on its future cash flows, earnings, results of operations and financial condition.

Canadian Regulatory Requirements

The Resulting Issuer will also be subject to Canadian regulations while operating in Peru, specifically the Corruption of Foreign Public Officials Act (the "Anti-Corruption Legislation"). The Anti-Corruption Legislation will prohibit the Resulting Issuer or any officer, director, employee or agent of the Resulting Issuer or any shareholder of the Resulting Issuer acting on its behalf from paying, offering to pay, or authorizing the payment of anything of value to any foreign government official, government staff member, political party, or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity. The Anti-Corruption Legislation also requires Canadian public companies to make and keep books and records that accurately and fairly reflect their transactions and to devise and maintain an adequate system of internal accounting controls.

The Resulting Issuer's operations in Peru may create the risk of unauthorized payments or offers of payments by the Resulting Issuer's employees, consultants or agents. Any failure by the Resulting Issuer and its subsidiaries to adopt appropriate compliance procedures and ensure that its employees and agents comply with the Anti-Corruption Legislation and applicable laws and regulations in foreign jurisdictions could result in substantial penalties or restrictions on the Reporting Issuer's ability to conduct business in certain foreign jurisdictions, which may have a material adverse impact on the Reporting Issuer and its share price.

Mining Permit for the Soledad Project

The Resulting Issuer's right to maintain and exercise the Mining Permit will require payments to the government pursuant to the terms of the Mining Permit. There is no assurance that such rights provided for by the Mining Permit will not be revoked or significantly altered to the detriment of the Resulting Issuer. There can also be no assurance

that the Resulting Issuer's rights will not be challenged or impugned by third parties, including local governments. Though the Resulting Issuer may not be aware of any uncertainties in the Mining Permit, there is no assurance that such uncertainties will not arise and result in future losses or additional expenditures, which could have an adverse impact on its future cash flows, earnings, results of operations and financial condition.

Substantial Capital Requirements and Liquidity

The Resulting Issuer will have limited financial resources, no operations and no revenues. If the Resulting Issuer's exploration and development of the Soledad Project is successful, substantial additional funds will be required for the purposes of further development and future operations. No assurances can be given that the Resulting Issuer will be able to raise the additional funding that may be required for such activities on acceptable terms or at all. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Resulting Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope and/or amend the timing of its development plans and/or operations.

No Mineral Resources or Reserves

The Soledad Project is considered to be in the early exploration and development stage. As of the date of this Filing Statement, no mineral resources have been defined at the Soledad Project. There is no certainty that further exploration and development will result in the definition of indicated, or measured resources, or probable or proven reserves, at the Soledad Project, or that if any mineral resources or reserves are defined at the Soledad Project that that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

Development and Operating Risks

The development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. There can be no guarantee that the estimates of quantities and qualities of minerals which may be 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 development and production is speculative in nature.

The Resulting Issuer's operations will be subject to all of the hazards and risks normally encountered in the development and production of mineral properties. 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. Although precautions to minimize risk will be taken, 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 Resulting Issuer.

Reliance on Management and Dependence on Key Personnel

The success of the Resulting Issuer is currently largely dependent upon on the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Resulting Issuer's business and prospects. The Resulting Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Resulting Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Resulting Issuer and its prospects.

The Resulting Issuer may also experience difficulty acquiring visas for foreign workers and key personnel which could have a material adverse effect on the Resulting Issuer and its operations.

Health and Safety Risks

The Resulting Issuer must comply with the health and safety laws, regulations, guidelines and permitting requirements in Peru. These laws are in place to protect the health and safety of employees while working at the Soledad Project. The possibility of more stringent laws or more rigorous enforcement of existing laws could have a material adverse effect on the Resulting Issuer's exploration activities and the viability of the Soledad Project.

Limited Operating History

The Resulting Issuer will be a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. Neither the Issuer nor Chakana has yet to generate a profit from its activities. The Resulting Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objectives.

Fluctuating Mineral Prices

The economics of mineral development are affected by many factors beyond the Resulting Issuer's control including, commodity prices, the cost of operations, and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is uneconomic to continue the Resulting Issuer's activities on the Soledad Project.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any metals which may be identified on the Soledad Project.

Currency Fluctuations

Currency fluctuations may materially affect the financial position and results of the Resulting Issuer. The Resulting Issuer's earnings and cash flow may also be affected by fluctuations in the exchange rate between the U.S. dollar and other currencies, such as the Peruvian Sol and the Canadian dollar. The Resulting Issuer will not engage in currency hedging to offset any risk of currency fluctuations.

Supply Chain Interruptions

Due to limited suppliers of equipment, materials, supplies and services available in Peru, any disruption at supplier facilities could result in curtailment or suspension of activities. Any disruption in the transportation of or restriction in the flow of goods or the imposition of customs clearance requirements may result in production delays.

The Resulting Issuer is also exposed to price volatility in respect of key inputs, such as fuel. Increases in global fuel prices can materially increase operating costs, erode operating margins and project investment returns, and potentially reduce viable reserves. Conversely, a significant and sustained decline in world oil prices may offset other costs and improve returns.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Resulting Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Resulting Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Risks of Foreign Operations

The Resulting Issuer's activities may be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Resulting Issuer's operations in

Peru, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Resulting Issuer may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Resulting Issuer's development activities in Peru could be substantially affected by factors beyond the Resulting Issuer's control, any of which could have a material adverse effect on the Resulting Issuer.

The Resulting Issuer may in the future acquire resource properties and operations outside of Peru and Canada, which expansion may present challenges and risks that the Resulting Issuer has not faced in the past, any of which could adversely affect the results of operations and/or financial condition of the Resulting Issuer.

Conflicts of Interest

Certain of the proposed directors and officers of the Resulting Issuer engage 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 Resulting Issuer may become subject to conflicts of interest.

Uninsurable Risks

Development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Resulting Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Resulting Issuer's results of operations and financial condition and could cause a decline in the value of the Resulting Issuer Shares. The Resulting Issuer does not intend to maintain insurance against environmental risks.

Litigation

The Resulting Issuer and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Dividends

To date, neither the Issuer nor Chakana generates any earnings and neither has paid any dividends on their outstanding shares. Any decision to pay dividends on the shares of the Resulting Issuer will be made by its Board of Directors on the basis of the Resulting Issuer's earnings, financial requirements and other conditions. If the Resulting Issuer generates earnings in the foreseeable future, it expects that they would be retained to finance growth.

The market price of the Resulting Issuer's Common Shares may be subject to wide price fluctuations

The market price of the Resulting Issuer's Common Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Resulting Issuer and its subsidiaries, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Resulting Issuer and its subsidiaries, general economic conditions, legislative changes, and other events and factors outside of the Resulting Issuer's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Resulting Issuer's Common Shares.

Limited Market for Securities

Upon completion of the Acquisition, the Resulting Issuer's Common Shares will be listed on the Exchange, however, there can be no assurance that an active and liquid market for the Common Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Resulting Issuer.

General Economic Conditions

The Resulting Issuer could be adversely affected by changing economic conditions in the countries in which it operates. The market turmoil and tightening of credit have led to an increased level of commercial and consumer delinquencies, lack of consumer confidence, cuts in government spending, increased market volatility and widespread reduction of business activity generally. To the extent that we experience further global economic deterioration in these markets, the resulting economic pressure on our customers may cause them to end their relationship with us, reduce or postpone current or expected purchase orders for our products, or suffer from business failure, resulting in a decline in our revenues and profitability that could be material. Continued difficult or uncertain economic conditions could adversely affect our revenue and profitability.

INFORMATION CONCERNING THE ISSUER

Corporate Structure

The Issuer was incorporated under the BCBCA on May 2, 2011. The full corporate name of the Issuer is “Remo Resources Inc.” The Issuer’s head office is located at 1430 – 800 West Pender Street, Vancouver, British Columbia, V6C 2V6. The Issuer’s registered office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5.

The Issuer has one wholly-owned subsidiary, Remo Sub, which was incorporated pursuant to the BCBCA on June 26, 2017.

General Development of the Business

The Issuer is in the business of exploration, development and exploitation of mineral resources in Canada. The Issuer’s primary objective is to explore mineral properties to a stage where they can be developed profitably or sold to a third party. The Issuer acquired, through staking, a 100% interest in seven contiguous mineral claims (comprising 1,914.4 contiguous hectares) located in the Iskut River District of northwestern British Columbia, and known as the Adrian Project. Due to unfavourable market conditions, management decided to drop four of the claims. With a view to the preservation of capital, the Issuer is not currently carrying out any exploration activities on its Adrian Project.

On December 12, 2012, the Issuer completed its initial public offering of 4,000,000 common shares for gross proceeds of \$800,000. On January 4, 2013, the Remo Shares were listed and posted for trading on the Exchange under the symbol “RER.”

On October 5, 2017, the Issuer and Remo Sub entered into the Amalgamation Agreement with Chakana. The Amalgamation Agreement contemplates the Issuer acquiring all the issued and outstanding Chakana Shares. See “The Transaction.”

On October 12, 2017, the Issuer entered into the Adrian Property Transfer and Royalty Agreement with Carl von Einsiedel. Pursuant to the agreement, subject to the completion of the Transaction, the Issuer has agreed to provide Carl von Einsiedel the right to acquire a 100% interest in the Adrian Property in exchange for completing sufficient work to maintain the subject mineral tenures in good standing until October 30, 2018. The Issuer will retain a 2% net smelter return royalty on the Adrian Property and the purchaser will have the right to buy back up to 1.5% of the royalty for \$500,000 per 0.5% of the royalty.

Selected Financial Information and Management’s Discussion and Analysis

Selected Financial Information

The following table sets forth selected financial information of the Issuer for the years ended March 31, 2017 and 2016 and for the three months ended June 30, 2017. Such information is derived from the Issuer’s financial statements and should be read in conjunction with such financial statements. See Schedule “A” – Annual Audited

financial statements of the Issuer for the years ended March 31, 2017 and 2016 and interim financial statements of the Issuer for the three months ended June 30, 2017 and 2016.

Financial Position	For the three months ended June 30, 2017 (Unaudited) (\$)	For the year ended March 31, 2017 (Audited) (\$)	For the year ended March 31, 2016 (Audited) (\$)
Current Assets	291,179	301,415	347,425
Mineral Property	6,101	6,101	6,101
Current Liabilities	24,627	10,732	8,813
Shareholders' Equity	272,552	296,784	344,713
Expenses	24,232	Nil	71,369
Net loss and comprehensive loss	24,232	47,929	77,033

Management's Discussion and Analysis

The Management's Discussion and Analysis of the Issuer as at and for the year ended March 31, 2017 and as at and for the three months ended June 30, 2017 is attached to this Filing Statement as Schedule "B". The management's discussion and analysis of the Issuer should be read in conjunction with the Issuer's audited financial statements, as at and for the year ended March 31, 2017 and the Issuer's unaudited financial statements as at and for the three months ended June 30, 2017, together with the notes thereto, incorporated by reference and attached to this Filing Statement as Schedule "A".

A pro forma statement of financial position for the Resulting Issuer, which gives effect to the Transaction as at August 31, 2017, is attached to this Filing Statement as Schedule "E".

Description of the Securities

The authorized capital of the Issuer consists of an unlimited number of common shares without par value. As at the date of this Filing Statement, 8,925,000 Remo Shares and 3,606,000 Remo Warrants were issued and outstanding. The Remo Warrants will be cancelled in connection with the Transaction.

The holders of Remo Shares are entitled to vote at all meetings of shareholders of the Issuer, to receive dividends if, as and when declared by the directors and, to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer. The Remo Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring a holder of Remo Shares to contribute additional capital and no restrictions on the issuance of additional securities by the Issuer. There are no restrictions on the repurchase or redemption of Remo Shares by the Issuer except to the extent that any such repurchase or redemption would render the Issuer insolvent.

Stock Option Plan

On April 12, 2012, the Board of Directors of the Issuer approved the adoption of a 10% rolling share option plan (the "**Stock Option Plan**"). The continuation of the Stock Option Plan is subject to annual approval of the Exchange and the shareholders of the Issuer by ordinary resolution. The number of Remo Shares which may be issued pursuant to the options previously granted and those granted under the Stock Option Plan is a maximum of 10% of the issued and outstanding Remo Shares at the time of the grant

The purpose of the Stock Option Plan is to attract and motivate directors, senior officers, employees, management company employees and consultants (collectively, the "**Optionees**") and to give such persons, as additional compensation, the opportunity to participate in the success of the Issuer. Under the Plan, options are exercisable over periods of up to 10 years as determined by the Issuer's Board of Directors and are required to have an exercise price no less than the closing market price of the common shares on the trading day immediately preceding the day

on which the Issuer announces the grant of options (or, if the grant is not announced, the closing market price prevailing on the day that the option is granted), less the applicable discount, if any, permitted by the policies of the Exchange and approved by the Issuer's Board of Directors. The number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis (without shareholder approval) or 2% if the optionee is engaged in investor relations activities or is a consultant. The Plan contains no vesting requirements, but permits the Issuer's Board of Directors to specify a vesting schedule in its discretion, subject to the Exchange's minimum vesting requirements, if any.

The Stock Option Plan provides that, on the death or disability of an option holder, all vested options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Issuer other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases its office, employment or engagement with the Issuer.

The Stock Option Plan is administered by the Board of Directors of the Issuer, which has the full and final authority with respect to the granting of all options thereunder.

As of the date of this Information Circular, the Issuer has no stock options outstanding.

Prior Sales

The Issuer has not issued any Remo Shares in the 12 months prior to the date of this Filing Statement.

Stock Exchange Price

The Remo Shares are currently listed on Exchange under the symbol "RER".

The following table shows the high, low and closing prices and aggregate trading volume of the Remo Shares for the periods indicated.

Period	High(\$)	Low(\$)	Close(\$)	Aggregate Volume
October 1, 2017 – October 5, 2017 ⁽¹⁾	0.09	0.09	0.09	40,000
September 1, 2017 – September 30, 2017	0.12	0.10	0.10	24,000
August 1, 2017 – August 31, 2017	0.105	0.10	0.10	15,000
July 1, 2017 – July 31, 2017	0.125	0.09	0.09	23,300
June 1, 2017 – June 30, 2017	-	-	0.125	0
May 1, 2017 – May 31, 2017	0.16	0.11	0.125	21,000
April 1, 2017 – April 30, 2017	0.185	0.145	0.16	40,900
March 1, 2017 – March 31, 2017	0.295	0.155	0.185	30,900
February 1, 2017 – February 28, 2017	0.295	0.12	0.295	30,500
January 1, 2017 – January 31, 2017	0.125	0.1	0.125	46,000
Quarter ended December 31, 2016	0.10	0.085	0.10	44,000
Quarter ended September 30, 2016	-	-	0.085	0
Quarter ended June 30, 2016	0.095	0.06	0.085	24,900
Quarter ended March 31, 2016	0.06	0.05	0.06	68,000
Quarter ended Dec 31, 2015	0.07	0.05	0.05	66,500

Period	High(\$)	Low(\$)	Close(\$)	Aggregate Volume
Quarter ended September 30, 2015	0.08	0.04	0.05	91,000
Quarter ended June 30, 2016	0.08	0.06	0.06	333,000

Notes:

(1) Trading in the Remo Shares was halted on October 5, 2017 in connection with the announcement of the Transaction.

Executive Compensation

In this section “Named Executive Officer” (an “**NEO**”) means each individual who acted as Chief Executive Officer of the Issuer, or acted in a similar capacity, for any part of the most recently completed financial year (a “**CEO**”), each individual who acted as Chief Financial Officer of the Issuer, or acted in a similar capacity, for any part of the most recently completed financial year (a “**CFO**”) and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Issuer at the end of the most recently completed financial year.

Stephen Kenwood, CEO, and Vivian Chuang, CFO, are each an NEO of the Issuer for the purposes of the following disclosure.

Compensation Discussion and Analysis

The objective of the Issuer’s compensation program is to compensate the executive officers for their services to the Issuer at a level that is both in line with the Issuer’s fiscal resources and competitive with companies at a similar stage of development. The compensation program is designed to reward individual performance and contributions to the goals achieved by the Issuer.

The Issuer may choose to pay cash compensation in order to provide compensation that is competitive in the industry. The Issuer may choose to pay compensation in the form of incentive stock options in order to align the directors and NEOs’ compensation with their contribution to the success of the Issuer in creating shareholder value, to provide a retentive effect on the directors and NEOs, and to provide compensation that is in line with the Issuer’s fiscal resources. All elements of compensation are determined by the Issuer’s Board of Directors, based on recommendations from the Issuer’s Compensation Committee. When recommending compensation, the Compensation Committee takes into account the amount of each other element of compensation that is received by a particular NEO or director.

The Issuer’s Board of Directors has not undertaken a formal analysis of the implications of the risks associated with the Issuer’s compensation policies and practices.

The Issuer has not adopted a formal policy forbidding directors or NEOs from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by directors or officers; however, the Issuer is not aware of any directors or NEOs having entered into this type of transaction.

Share-Based and Option-Based Awards

The Issuer has not granted any share-based awards.

Stock options may be granted by the Issuer as determined by the Board of Directors, based on recommendations from the Compensation Committee. In the case of option grants to the CEO, the Compensation Committee will take into account the Issuer’s overall performance in line with performance goals set by the Board of Directors on an annual basis. It is the Issuer’s policy to award options on a yearly basis based on performance in the prior year and

targets for the forthcoming year. The Issuer’s Compensation Committee takes into account previous option grants when considering new option grants.

Compensation Governance

Compensation is determined by the Issuer’s Board of Directors, based on recommendations from the Compensation Committee. Neither the Compensation Committee nor the Board of Directors has adopted any formal policies to determine the compensation of the Issuer’s directors and executive officers. The Issuer has not retained any compensation consultants or advisors to assist the Board of Directors or Compensation Committee in determining compensation for any of the Issuer’s directors or executive officers.

Summary Compensation Table

The following table sets forth all annual and long term compensation for services in all capacities to the Issuer for the three most recently completed financial years ended March 31 of the Issuer for each of the NEOs:

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Stephen Kenwood, CEO/President/Secretary	2017	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
	2016	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
	2015	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
Vivien Chuang, CFO	2017	3,000	Nil	Nil	Nil	N/A	N/A	Nil	3,000
	2016	900	Nil	Nil	Nil	N/A	N/A	Nil	900
	2015	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil

Incentive Plan Awards to NEOs

The Issuer does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the directors and officers of the Issuer. The Issuer has the Stock Option Plan in place for the granting of incentive stock options to the directors, officers, employees and consultants of the Issuer. The following information relates to incentive stock options granted under the Stock Option Plan, which is described above under the heading “Stock Option Plan”.

Outstanding Share-Based Awards and Option-Based Plan Awards

The Issuer had no awards outstanding under incentive plans of the Issuer during the financial years ending March 31, 2016 and March 31, 2017, including awards granted before the most recently completed financing year, to any NEO.

Value Vested or Earned During The Year

There was no value vested or earned during the financial years ended March 31, 2016 and March 31, 2017 of incentive plan awards granted to NEOs.

Pension Plan Benefits

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

Management and Consulting agreements

Since April 1, 2016, the Issuer has been paying \$750 per month in accounting fees to CDM Capital Partners Inc. Darren Devine, a former director of the Issuer and a director of Chakana, owns fifty per cent of CDM Capital Partners Inc. There is no written contract between CDM Capital Partners Inc. and the Issuer.

Termination and Change of Control Benefits

The Issuer has no employment contracts with any NEO.

The Issuer has no compensatory plan, contract or arrangement where a NEO is entitled to receive more than \$100,000 to compensate such executive officers in the event of resignation, retirement or other termination, a change of control of the Issuer or a change in responsibilities following a change in control.

Director Compensation

The following table sets forth the compensation paid to the directors who are not also NEOs for the Issuer's financial years ended March 31, 2016 and March 31, 2017:

Name	Year	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Darren Devine ⁽²⁾	2017	9,000	Nil	Nil	Nil	N/A	N/A	Nil	9,000
	2016	23,250 ⁽³⁾	Nil	Nil	Nil	N/A	N/A	Nil	23,250
Gary Freeman	2017	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
	2016	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
Keith Henderson	2017	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
	2016	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
Peter Mordaunt	2017	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil
	2016	Nil	Nil	Nil	Nil	N/A	N/A	Nil	Nil

Notes:

- (1) Relevant disclosure has been provided in the Summary Compensation Table above, for directors who receive compensation for their services as a director who are also NEOs.
- (2) Darren Devine resigned as a director on May 10, 2017.
- (3) Includes fees paid to CDM Capital Partners Inc., a company of which Darren Devine owns 50%. During the March 31, 2016 financial year, the Company paid fees of \$5,500 in rent, \$4,000 in office and administrative fees, and \$13,750 in accounting fees to CDM Capital Partners Inc. During the March 31, 2017 financial year, the Company paid fees of Nil in rent, Nil in office and administration fees, and \$9,000 in accounting fees to CDM Capital Partners Inc.

Incentive Plan awards to Directors

The Issuer had no awards outstanding under incentive plans of the Issuer during the year ended March 31, 2016 and March 31, 2017, including awards granted before those periods, to any of the Directors who are not NEOs.

Value Vested or Earned During the Year

There was no value vested or earned during the financial years ended March 31, 2016 and March 31, 2017 of incentive plan awards granted to Directors who are not NEOs.

Related Party Transaction

The Exchange has determined the Transaction to be a Related Party Transaction under the policies of the Exchange on the basis that a former director of the Issuer, Darren Devine, is also a director of Chakana. Accordingly, the Issuer will be seeking disinterested approval of the Remo shareholders for the Transaction by way of written consent.

Legal Proceedings

There are no material pending legal proceedings to which the Issuer is or is likely to be a party, or of which any of its property is the subject matter.

Auditor, Transfer Agent and Registrar

Auditor

The auditor of the Issuer is Charlton & Company, Chartered Professional Accountants, of Suite 1735, 555 Burrard Street Vancouver BC V7X 1M9.

Transfer Agent and Registrar

The transfer agent and registrar for the Issuer is TSX Trust Company. Transfers of the Remo Shares may be recorded in Vancouver, British Columbia.

Material Contracts

The Issuer has not entered into any contracts material to investors in the Remo Shares other than contracts in the ordinary course of business, except:

1. the Stock Option Plan dated April 12, 2012 as described under “Information Concerning the Issuer – Stock Option Plan”;
2. the Amalgamation Agreement dated October 5, 2017 among Chakana, the Issuer and the Issuer’s wholly-owned BC subsidiary, Remo Sub, as described under “The Transaction – the Amalgamation Agreement”; and
3. the Adrian Property Transfer and Royalty Agreement dated October 12, 2017 between the Issuer and Carl von Einsiedel, as described under “Information Concerning the Issuer – General Description of the Business.”

Copies of these agreements may be inspected without charge during regular business hours at the offices of the Issuer until 30 days after the Closing of the Transaction and may be found on SEDAR at www.sedar.com.

INFORMATION CONCERNING CHAKANA

Corporate Structure

Name and Incorporation

Chakana was incorporated on December 1, 2016 under the laws of British Columbia under the name “Chakana Resources Corp.” On May 15, 2017, Chakana changed its name to “Chakana Copper Corp.”

The registered office is located at 1500 – 1055 West Georgia Street, Vancouver, BC, V8V 3K3, and its principal business address is Suite 400, 850 West Hastings Street, Vancouver, BC, V6C 1E1.

Intercorporate Relationships

Chakana has a 99.9% owned subsidiary, Chakana Resources S.A.C. (“**Chakana Sub**”), a company formed under the laws Peru. Chakana Sub holds an option to acquire a 100% ownership interest in the Soledad Project.

General Development of the Business of Chakana

Chakana is a natural resource corporation with a principal focus on the exploration and development of the Soledad Project. It also seeks to identify, investigate, evaluate and acquire other precious metals property opportunities located in favourable international jurisdictions. Pursuant to the Mining Assignment and Option Agreement, Chakana Sub holds an option to acquire a 100% ownership interest in the Soledad Project by (i) completing 12,500 meters of drilling, (ii) making cash payments over 4.5 years of US\$5,375,000, (iii) granting a 2% net smelter return royalty to Condor, and (iv) the issuance of 500,000 Chakana Shares to Condor.

Chakana has completed the following equity financings since incorporation:

- On March 17, 2017, Chakana completed a seed share financing of 16,500,000 Chakana Shares at a price of \$0.0001 for aggregate gross proceeds of \$1,650.
- On April 7, 2017 and April 20, 2017, Chakana completed financings for an aggregate 16,216,666 units at a price of \$0.05 per unit for gross proceeds of \$810,833. Each unit consisted of one Chakana Share and one-half of a Chakana Warrant, with each Chakana Warrant exercisable at \$0.05 per Chakana Share for a period of one year from the date of issue.
- On June 29, 2017, July 17, 2017, and July 28, 2017, Chakana completed concurrent brokered and non-brokered financings of an aggregate 8,089,500 units at a purchase price of \$0.40 per unit for gross proceeds of \$3,235,800. Each unit consisted of one Chakana Share and one-half of a Chakana Warrant, with each whole Chakana Warrant exercisable at \$0.60 per Chakana Share for a period of 18 months from the date of issue. \$1,325,000 of the financing was completed on a brokered basis with Eventus Capital Corp. and Eight Capital acting as agents. Chakana paid commissions and finder’s fees of \$187,740 and 469,351 Chakana Warrants, with each such Chakana Warrant exercisable at \$0.40 per Chakana Share for a period of two years from the date of issue.
- On November 7, 2017 and November 9, 2017, Chakana completed the Financings, as discussed below under “The Transaction – Description of the Transaction – the Financings.”

The proceeds of the financings have been and are being used for activities related to exploration of the Soledad Project and for general working capital.

Mining Assignment and Option Agreement

On April 17, 2017, Chakana Sub entered into the Mining Assignment and Option Agreement with Minera Vertiente Del Sol S.A.C. (“**Minera**”), a Peruvian subsidiary of Condor Resources Inc. (“**Condor**”), pursuant to which Chakana has the sole and exclusive option to acquire 100% of the rights and interests in the Soledad Project, subject

to a 2% net smelter return royalty in favour of Condor. On April 24, 2017, Chakana and Condor entered into the Assumption and Accession Agreement in order to facilitate the completion by their respective subsidiaries of the transactions contemplated by the Mining Assignment and Option Agreement. The summary of Chakana and Chakana Sub's rights and obligations under the Mining Assignment and Option Agreement set out below also reflects the terms of the Assumption and Accession Agreement.

Chakana Sub's option to acquire rights and interests in the Soledad Project is exercisable by making payments to Minera and incurring work expenditures on the Soledad Project. In order to exercise its option, Chakana Sub is required to complete 12,500m of drilling (or work equivalent), issue 500,000 Chakana Shares to Condor and pay Minera USD \$5,375,000 according to the following payment schedule:

Due	Shares to be issued	Cash Payment (USD)
On signing of Letter of Intent (January 2017)		\$10,000
On signing of Extensions of Letter of Intent (March and April 2017)		\$15,000
On or before December 23, 2017		\$25,000
On or before June 23, 2018	500,000	\$50,000
On or before December 23, 2018		\$50,000
On or before June 23, 2019		\$75,000
On or before December 23, 2019		\$75,000
On or before June 23, 2020		\$100,000
On or before December 23, 2020		\$150,000
On or before June 23, 2021		\$200,000
On or before December 23, 2021		\$4,625,000
Total	500,000	\$5,375,000

As of the date of this Filing Statement, the first two installments, in the aggregate amount of US\$25,000, have been paid to Minera.

The payment of 500,000 common shares to be issued to Condor will be made in Resulting Shares assuming the closing of the Transaction.

After commencing commercial production on the Soledad Project, Chakana is required to make advance payments of the net smelter return royalty to Minera according to the following schedule:

Years	Amount in US\$ Per Year
From the sixth to the tenth year, counted as from June 23, 2017	US\$25,000
From the eleventh to the fifteenth year, counted as from June 23, 2017	US\$60,000
From the sixteenth year on, counted as from June 23, 2017	US\$ 100,000

Chakana must complete a total of 12,500 meters of diamond drilling on the Soledad Project according to the following drilling schedule (the "Drilling Schedule"):

- (i) Stage 1: 3,000m: Within eighteen (18) months counted from June 23, 2017;
- (ii) Stage 2: 2,500m: Within thirty (30) months counted from June 23, 2017;
- (iii) Stage 3: 3,000m: Within forty-two (42) months counted from June 23, 2017; and,

(iv) Stage 4: 4,000m:

Within fifty-four (54) months counted from June 23, 2017.

In the case of non-compliance with the Drilling Schedule, Chakana is required to pay Minera 100% of the total cost of the unrealized drilling at US\$100 per meter. However, Chakana is permitted to offset a portion of the drilling requirements by certain making investments toward the development of the Soledad Project (“**Credible Investments**”). A maximum of 40% of the drilling meters required by the Drilling Schedule are permitted to be replaced with Credible Investments

Under the Mining Assignment and Option Agreement, Chakana may, at any time and at its election, purchase from Minera 50% of the net smelter return royalty, equal to a 1% net smelter return, for US\$2,000,000.

Soledad Project

In 2017, the Issuer commissioned Jerry Blackwell, P Geo. (the “**Author**”) to complete the Technical Report on the Soledad Project. The Technical Report was prepared in accordance with NI 43-101 and was issued to the Issuer on November 15, 2017 with an effective date of September 3, 2017. The Technical Report has been filed under the Issuer’s profile on SEDAR at www.sedar.com. The following information concerning the Soledad Project is primarily excerpted or derived from the Technical Report, and also includes certain information obtained from legal opinions, reports by government and reports by previous operators.

Property Description and Location

Figure A: Location

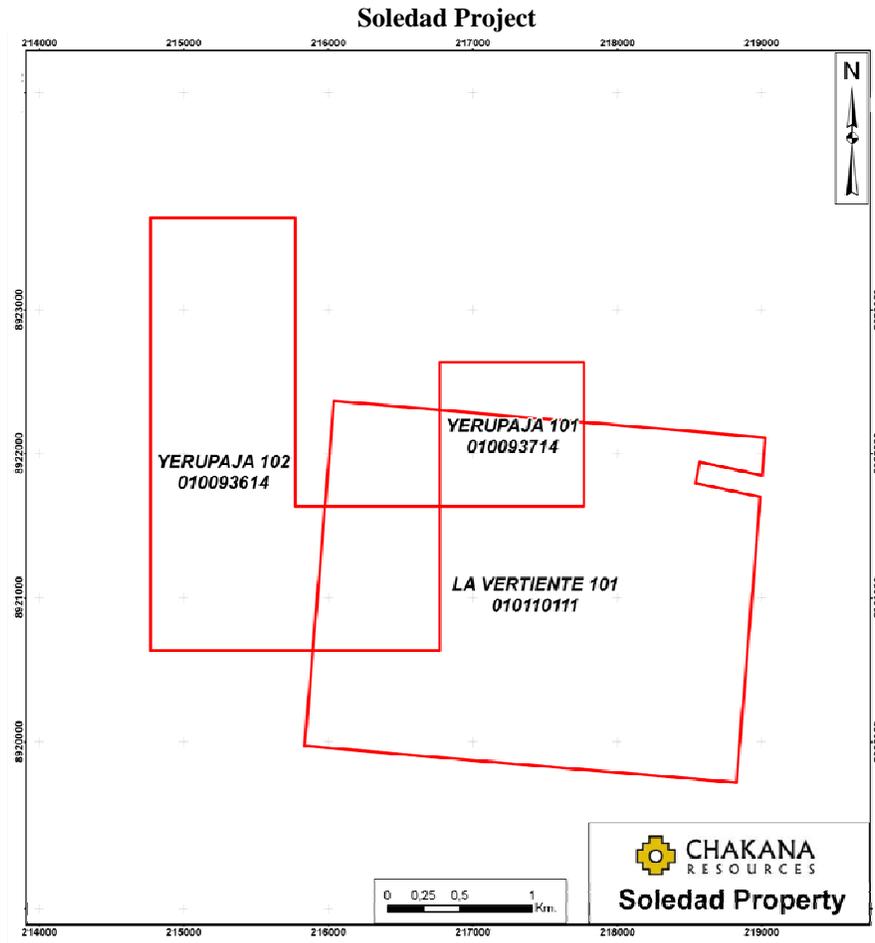


The Soledad Project is located in the Cordillera Negra or western flank of the Andes Mountains, or “Cordillera Occidental”, in the District of Aija, Provinces of Aija and La Merced, and Department of Ancash, Peru. Access to the Soledad Project is by truck. The Soledad Project is 260 kilometres north-northwest of the City of Lima, Perú (see Figure A) and 26 kilometres south of the Department capital of Ancash. The area is mountainous with elevations ranging from 3,800 to 4,560 metres above sea level.

The geographic coordinates near the centre of the Soledad Project is approximately 9° 45' 28'' South latitude by 77° 34' 18'' West longitude, or in the UTM WGS 84 coordinate system at zone 18, 8920273 m South by 217864.7 m East. The Soledad Project is within Peruvian National Topographic System (NTS) map area 20-h (Huaraz).

Property

The Soledad Project is currently 1138.69 hectares in size.



Vertiente is the registered owner of a 100% interest in the following mineral concessions, which comprise the Soledad Project:

List of Mineral Concessions Owned by Minera Vertiente Del Sol S.A.C.

Name	Code	Electronic ID	Granted	Area (hectares)	Vigencia Fees 2017	Vigencia Fees 2018
La Vertiente 101	010110111	16867	25-06-2012	712.8047	2,138.41	2,138.41
Yerupaja 101	010093714	21744	30-09-2014	25.89	77.66	77.66
Yerupaja 102	010093614	21743	06-10-2017	400.0015	1,200.00	1,200.00

Validity fees or 'Pago de Vigencia', is the tax that is collected annually from holders of mineral concessions. It is currently US\$3 per hectare. Pago de Vigencia fees are due June 30th of the calendar year. Fees payable may be up to 12 months in arrears, but failure to pay after that period of time results in forfeiture of title and loss of the concession. The 2017 Fees have been paid as of the date of this report and the concessions remain in good standing.

Royalties

Upon satisfying the terms of the Mining Assignment and Option Agreement and exercising its option Chakana will register a 2% net smelter return (“NSR”) royalty applicable to any mineral production from the Soledad Project. Half of the NSR royalty (thus reducing it to 1%) may be purchased by the Chakana at any time for \$2,000,000.

Peru has a sliding scale gross over-riding royalty on mining. Calculation of the amount payable is made monthly and is based on the gross value of the concentrate sold (or its equivalent) using international metal prices as the base for establishing the value of metal. The sliding scale is:

1. First stage: up to US\$60 million annual revenue; 1.0 percent of gross value;
2. Second stage: in excess of US\$60 million up to US\$120 million annual value; 2.0 percent of gross value; and
3. Third stage: in excess of US\$120 million annual value; 3.0 percent of gross value.

Advanced Royalties

Chakana must pay advanced or pre-production royalties to Condor as per the following schedule:

1. \$25,000/year for years 6 to 10; \$60,000/year
2. \$60,000/year for years 11 to 15; and
3. \$100,000/year for years 16 and beyond.

Advanced royalty payments are deductible from Condor production royalty proceeds.

Environment

To the best knowledge of the author of the Technical Report, there are no known environmental liabilities within the Soledad Project property limits. Any historic tunnels, adits, pits, roads and rock dumps should have been previously located and listed in any Environmental Impact Assessment (EIA).

There are operating mines located upstream to the south and east of the Soledad Project where sulphide ores are mined and processed that are potentially acid generating. These operations and associated tailings are potential sites of environmental remediation in the future, the responsibility for which should not fall upon the Chakana.

Mineral Title Process

In Peru mineral rights are conveyed by the federal government. The General Mining Law of Peru was changed in 1994 to modernize administration and development. The law defines and regulates different categories of mining activities according to the stage of development (prospecting, exploitation, processing, and marketing). Mineral title is administered by INGEMMET. Mining title is currently granted using Universal Transverse Mercator (“UTM”) coordinates (PSAD56) to define areas in hectares. New mining concessions shall be at least of 100 ha in size (1 km²), and must be oriented in a north-south or east-west direction. Pre-1994 concessions, based on the old system (“punto de partida” or starting point system), can be at any orientation. These older concessions have been surveyed by the government and the legal corners assigned UTM coordinates. As the Soledad Project is at the edge of a well-known, established mining camp there are many older concessions at the Soledad Project and surrounding area.

INGEMMET has announced that it intends to implement a transition away (over several years) from the PSAD56 datum to the more accurate and contemporary WGS84 datum. This will result in some confusion, extra work and rendering many maps obsolete. In Peru the difference in the two datums could be as much as 288±17 meters east-west, 175±27 meters north-south and 376±27 meters vertically but should be less at the Soledad Project.

Rights

Mineral title allows the holder to explore, exploit, and benefit from the mineral resources located within the area of the Soledad Project. The mining concession constituting the Soledad Project do not have a particular expiration date; however one or more could expire if the owner or assignee does not carry out work or pay the associated annual validity and penalty fees. Title allows the owner to use the non-agricultural and municipal land (which belongs to the government) within the mineral concession, to apply for a water-use permit and to ask government to convey an easement if development access cannot be obtained by negotiation. Upon application investment agreements are available if property expenditures are exceeding \$2,000,000 per annum and the IGV or value-added tax may also be partially refunded at the exploration stage if expenditures exceed \$500,000.

Surface rights at the Soledad Project belong to at least four individuals or families. Vertiente has *Contratos de Servidumbre* and *Usufructo* in place that Chakana may operate under. A Servidumbre provides rights of access to Vertiente, while a Usufructo conveys the rights to use and develop the property. A cash consideration is paid to the land owners and Chakana pledges to maintain the Soledad Project in good condition or to restore it if it is no longer needed. These agreements are for two to four-year terms and renewable up to eight years. Chakana will assume these obligations which may total S/195,000.

Permitting

In Peru no work can proceed on a mineral concession without either a landowner or a community agreement. Any type of exploration involving ground disturbance, apart from mapping, taking samples at surface and geophysical surveys require a permit. Acquiring a permit is a process requiring preparation and this task is usually out-sourced to consultants and specialists that are able to recognize local needs, are aware of the details of government regulations and are familiar with the mining industry and exploration. A background summary of the permitting process includes:

1. There are two types of exploration permits in Peru. The first type (Category 1) is for drill programs that involve less than 20 drill pads and less than 10 hectares of ground disturbance. That includes road building. This permit requires a Declaración de Impacto Ambiental (“**DIA**”). A drill pad may be used for multiple drill holes as long as this is detailed in the declaration.
2. DIAs, if they comply with all requirements, may be granted after 20 working days unless the initial review finds causes for concern.
3. Programmes over 20 drill pads or with more than 10 hectares of disturbance need to file for an EIA-sd (Semi-detailed Environmental Impact Assessment - Category II) the General Bureau for Environmental Affairs for Mining (DGAAM) at the Ministry of Energy and Mines (the “Ministry”). There is a review process that includes requests for comments from the Water Authority, local governments, community and Ministry of Culture.
4. All reports are filed electronically, and all communication from the Ministry is now posted online.
5. Once the DIA and EIA-sd are granted Chakana will need an Autorización de Inicio de Actividades. This second permit must include the following: a legal agreement with the registered owner of the land - in the case of communities it needs to have two thirds approval from a general assembly; a CIRA (Archeological certificate) granted by the regional cultural authority certifying that the work area is free of archeological or cultural items of significance, and a water permit from the regional water board. Once all these permits are in place, an Autorización de Inicio de Actividades is granted.
6. The Ministry will ask the Ministry of Culture for comments. This means that additional community outreach programs may be needed, particularly if in a region where *quechua* is spoken. *Quechua* is the language spoken by many indigenous people of the Andean region. Quechua is not commonly spoken in the region of the Soledad Project. Archeological monitoring during ground disturbance is also a requirement.
7. Planning requires drill pads to be specified with 50-metre accuracy. Drill sites can be modified using ITS applications, so long as the modified pads are within the work area (or polygon) specified in the original permit.

Vertiente has permits that are current as of the effective date.

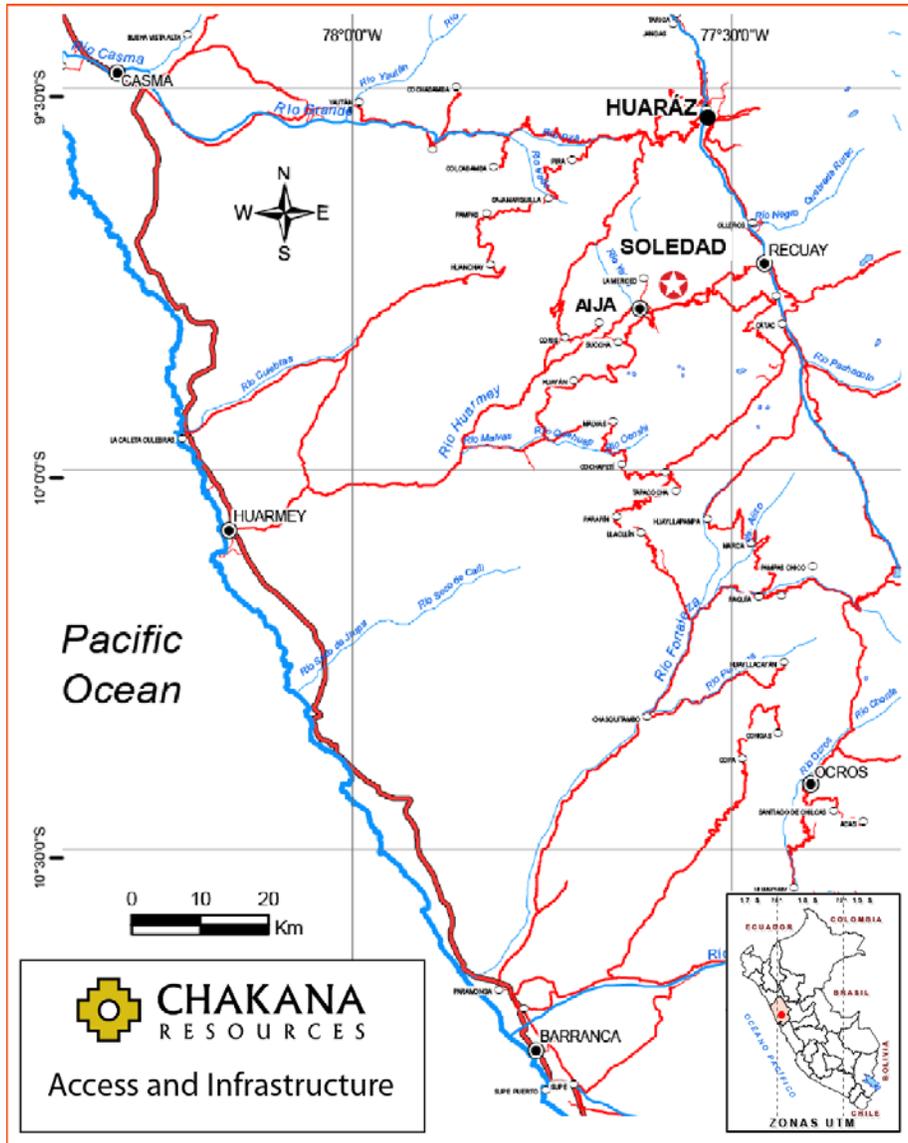
Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Soledad Project is via modern paved highways from the coast to Recuay, a road- distance of 405 kilometres from central Lima. Recuay (elevation 3240 m amsl) is a provincial city with modern transportation, a strong agricultural and mining community of approximately 4,000 inhabitants. From Recuay to the Soledad Project access is by a well-maintained secondary gravel road leads uphill and west and north towards Aija, but exiting beforehand at the mill site in Licuna (4,530 m amsl) then forking right on a less-traveled, uphill track to the Soledad Project. Travel time is approximately 1 to 1.5 hours and the road distance is 31 kilometres. These roads are well used by both non-commercial, trucks and mining vehicles to Aija and beyond.

This part of Peru is marked by the two principal ranges of the Andean Mountains – the Cordillera Blanca and the Cordillera Negra, separated by a narrow, north-trending valley occupied by the north-flowing Rio Santa. The cities of Huaraz and Recuay lay within the valley. The Cordillera Blanca, to the east, is a rugged range of mountains rising over 6,000 m above sea level. It is marked by persistent snow-covered peaks most of the year, numerous glaciers and glacial landforms such as cirques, hanging valleys and moraine. Much of the Cordillera Blanca in the Department of Ancash is protected from development by the Huascarán national park and the Cordillera de Huayhuash Reserve.

The valley of the Santa River is marked by farming and numerous cities and towns, of which Huaraz (Population approximately 124,000) is the most important. Several abandoned mill-sites and tailings are present along the river in the vicinity of Recuay.

Local Access & Infrastructure

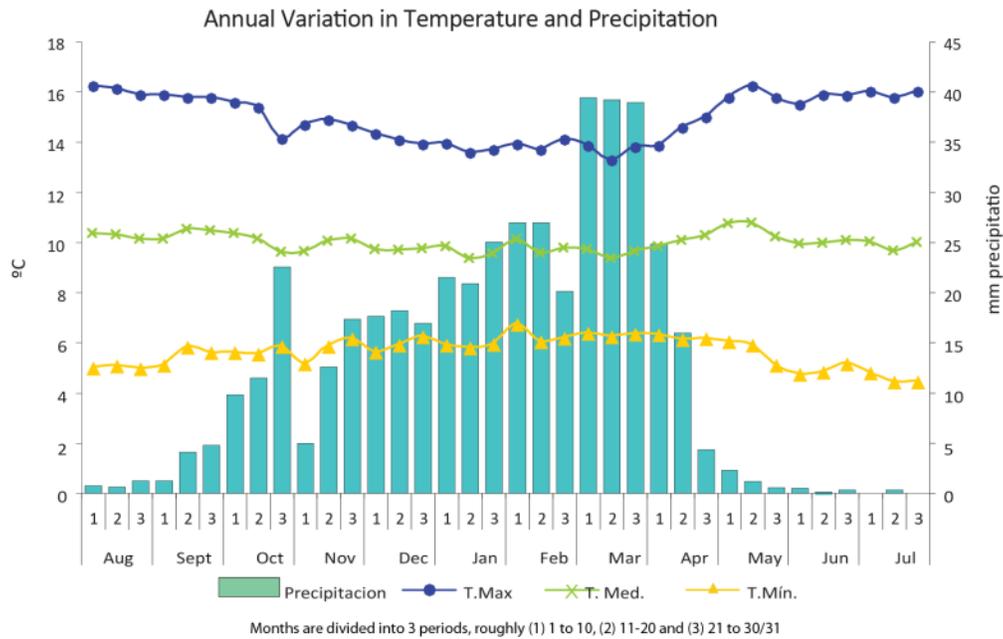


The Cordillera Negra is an uplifted relic of the Neogene Puna erosional surface, tilted west and broken by deep canyons occupied by fast-flowing but intermittent west-flowing rivers that all but disappear by the time they reach the Pacific coast. The local watershed at the Soledad Project is the Rio Aija, a tributary of the Huarmey River that flows west and then southwesterly through Aija then out to the coastal city of Huarmey, 72 km southwest. There are no glaciers or snowfields on the Soledad Project, but evidence of glaciation is present in the form of till and polished, striated outcrops anywhere above 4,000m. Small ponds occur in the area; most have been dammed and are probably used for nearby mining operations or for livestock. The Huarmey River is an important source of irrigation and potable water along its course and on the coast.

The climate in the area is highly variable depending upon elevation. Peak precipitation occurs from November through April (“rainy season”) and it can snow but melts quickly. There is rarely precipitation from May through September. There is no reliable climate data for the Soledad Project itself.

Climatological Data for Aija (1999 – 2010) from Alarcón et al (2013)

Longitude: 77° 36'26.1 Latitude: 09° 46'53.9 Altitude: 3440 masl



The best months to access the Soledad Project are from April through November, though it will be possible throughout the year at times. The main difficulties faced during the rainy season maybe periods of snow, rain (with lightning) and muddy roads.

In the Soledad Project area land use is limited to grazing cattle, sheep, llama and alpaca. The area is just above the local upper elevation limit for growing crops and the growing season too short. Cash crops are important at elevations below 4,000 metres, though commercial production is limited by the size of arable plots of land and water. Scattered trees (eucalyptus and pine) are found near towns and along streams, increasing in abundance downstream. Vegetation is noticeably thicker at Aija or Recuay where mixed introduced species, cacti and low thorny bush with a thick understory of spiny, rough sedge and bamboo-like grasses. Upstream (south) from Recuay trees and bushes are rare. Hillsides are grass-covered to bare; valleys are often boggy with various mosses, grass and sedges.

Mining is important to the economy of both Ancash and the Province of Aija. Mining is an important economic driver in the region, accounting for 22-25% of the Gross Value Added economic activity in the Department of Ancash. Heavily weighted by production from Antamina, in 2010 Ancash produced 29% of the nation’s copper output, 32% of its molybdenum, 26% of the zinc, 14% of the silver and 9% of the lead. In Aija Province there are several producing small underground mines from 1.1 km south to 5 km east of the centre of the Soledad Project (see figure 23.2). These mines are operated by Peruvian companies and produce lead-zinc-silver concentrates. Gold and copper production is reported at some operations (see “Adjacent Properties” below). Mining is important in the region with career-miners and engineers living in the area.

The Soledad Project has “space” for mining operations, subject to finding a commercially feasible orebody and negotiating agreements. Three-phase power is available at Aija and Recuay and could be readily extended into the Soledad Project. Any potential mining operations will construct tailings storage areas, waste disposal areas, or potential processing plant sites at lower elevations, or utilize existing sites that are off the Soledad Project. Water will have to be negotiated with local and federal regulators, quantities of which must balance with the needs of all users along the Rio Aija and Rio Huarmey.

History

Peru has a long history of mining and metalworking, reflected in artifacts from the earliest cultures that inhabited the country. During Colonial times in Perú (1535-1821) there was increased mining and exploration and the Spanish colonialists discovered many famous silver deposits, some of which remain in production to this day.

Mining in Peru has been cyclic, heavily impacted by civil strife, terrorist insurgency, nationalization and commodity price fluctuations. Since introduction of the new mining code in 1994 Peru's production of silver and gold has risen dramatically, new discoveries have been made and many new mines brought on stream.

Mining in the region dates to early Spanish times. In the late 1960's through to 1985 Compañía Minera Alianza S.A. operated several small polymetallic mines immediately south and east of the Soledad Project. Reports show that some of the breccias at Soledad were referred to as "Belota" (Yepez and Tumialan, 1975). Boggio (1985) states that the Belota Zone was previously studied by the Guggenheim Brothers Exploration Co. and by the Cerro de Pasco Corporation. Other than regional scale maps reproduced in publications by Cabos and Tumialan (1975) and Boggio (1985) and various references to Belota there is no technical information on exploration or development activities in this period.

Rio

In 1995 through 1996 Rio explored the "Aija Gold Property" which covered the Soledad as part of much larger land holding. Records of their work are incomplete. It appears that the company was most active during 1996 when it completed magnetometer ("mag") and induced polarization surveys ("IP") and core drilling.

The IP and mag was done along 16.4 line-kilometres of grid spaced 200 m apart, with the mag readings every 25 metres using a Scintrex ENVI proton magnetometer and a separate base-station magnetometer unit. The IP covered an area of 628 hectares on 200 by 200 m spaced stations using a then state-of-the-art Scintrex Time-Domain IP transmitter and receiver. The equipment was operated by José Arce, Exploration Geophysicists based in Miraflores, Lima Peru. The surveys were completed during January 1996. The resulting IP data was processed to provide a 3-D interpretation of the results as a series of horizontal depth slices. Several broad, low resistivity/high chargeability anomalies were detected (in keeping with the broadly-spaced 200 by 200 readings) that were recommended for drilling (Rio reported that six such IP anomalies were identified). Arce reported that the effective depth of penetration was 200 to 300 m.

Rio believed that Bellota (Bx#1) lay at the northeastern edge of a much larger IP anomaly referred to as the "Platano". Rio further reported that *"trenching and geologic mapping of the exposed rock over the Platano anomalous zone encountered the presence of strong hydrothermal alteration associated with areas of pyrite, arsenopyrite and tourmaline. Computer generated cross sections through the Platano I.P. anomaly indicate the presence of a highly chargeable body, approximately 300-400 metres in diameter, inclined to the east at 45-70 degrees and located approximately midway between the tourmaline breccia outcrops at Bellota and Paloma. The top of the anomaly appears 100 metres below surface and the long axis of the anomaly maintains similar chargeability and resistivity characteristics as it plunges downward for over 200 metres."* It is thought that drill holes DH 6 and 7 may have been located so as to test this target.

Rio began drilling in January 1996 and ended their 22-hole programme in November 1996. The primary target was the Bellota Zone, referred to in this report as Bx #1. It was reported that assays and analyses were done by atomic absorption and fire assay at C.H. Plenge & Cia S.A. laboratory in Lima, Peru.

Drilling by Rio was designed to test a vertical, pipe-shaped target both to depth and across its widths. Reported intervals are not "true widths" but are instead an indication of the depths that mineralization of note has been encountered, in a target-type where the depths are much greater than the widths.

Rio Drill Collar Locations and Reported Results

Hole #	Az	Dip	East	North	El	Length	Target	Notes
DH1	0	-45	218477	8920082	4384	85	Bx1	No Mineralization Reported
DH2	90	-60	218477	8920080	4384	177	Bx1	72.0 To 105.0 (33.0m) 2.5g/T Au, 4.3g/T Ag, & 0.17% Cu
DH3	90	-60	218483	8920035	4362	232	Bx1	68 to 129.5 (61.5m) 1.92 Au, 145.8 Ag, & 1.82% Cu
DH4	45	-48	218527	8920046	4358	93	Bx1	No Mineralization Reported
DH5	45	-48	218482	8920039	4362	139	Bx1	55.5 To 84.0 (28.5m) 5.0g/T Au, 27.9g/T Ag, 1.10% Cu, 0.37% Zn
DH6	45	-60	218337	8919927	4335	132	Ip	No Mineralization Reported
DH7	0	-90	218336	8919928	4334	310	Ip	No Mineralization Reported
DH8	60	-48	218551	8920016	4332	178	Bx1	No Mineralization Reported
DH9	270	-48	218550	8920013	4331	122	Bx1	No Mineralization Reported
DH10	270	-60	218576	8920037	4332	332	Bx1	73.0 – 120.0 (47.0m) 0.59g/t Au, 71.5g/t Ag, 2.0% Cu, and 175.0 to 223.5 (48.0m) 0.86 Au, 60.2 Ag, 2.57 Cu
DH11	270	-80	218577	8920037	4332	357	Bx1	- 12.0 to 15.0 (3.0m) 6.52 Au, 28.5 g/t Ag, 0.09% Cu, and - 154.5 to 159.0 (4.5m) 0.11g/t Au, 34.6g/t Ag, 1.34% Cu, and - 198.0 to 213.0 (15.0m) 0.11g/t Au, 69.0g/t Ag, 1.3% Cu, and - 231.0 to 237.0 (6.0m) 0.74g/t Au, 80.80g/t Ag, 1.24% Cu
DH12	315	-60	218575	8920038	4332	291	Bx1	No Mineralization Reported
DH22	0	-48	216686	8919931	4190	74	Bx1	No Mineralization Reported

Drill collar locations were compiled by Condor; the author of the Technical Report identified two Rio drill pads in the field. Reported intersections are compiled from historic news releases; these results cannot be verified.

In February 1997 Rio signed a Letter of Intent with RTZ Mining and Exploration Limited Sucursal Peru (RTZ-CRA) whereby RTZ-CRA could earn a 65 percent interest in RIO's Aija Property. During the period June 10, 1997 to July 24, 1997, RTZ-CRA drilled 5 reverse circulation drill holes, varying in length from 86 to 250 metres (913 metres in total), within an area covering 400 metres by 600 metres south of the current Soledad Project and south of the Aija river. RTZ-CRA selected the 24 hectare area for drilling based on Rio's IP results and to test for a porphyry copper target with associated secondary enrichment. Assay result from the first 3 holes failed to yield significant results and in August 1997 RTZ-CRA elected to terminate the agreement.

Rio ceased operations in Peru in 1997 amidst a period of poor metal prices and to pursue exploration opportunities elsewhere in Ecuador and then Africa. Through a series of corporate transactions Rio continues today as Sutter Gold Mining Inc. based in Lakewood, Colorado.

The exploration work by Rio was important as it represents the first use of IP to explore the Soledad Project. Drill results were interesting but the area tested was relatively small. The author of the Technical Report cannot verify the information attributed to Rio and it should not be relied upon.

Condor

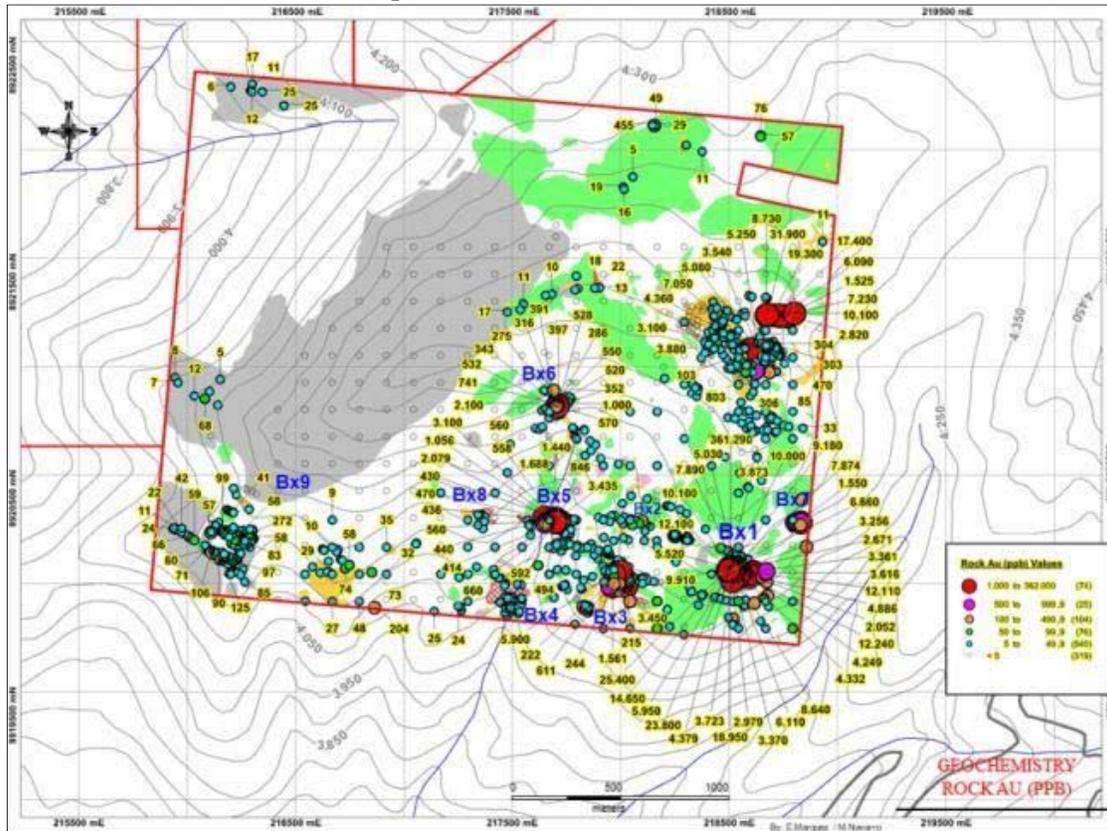
Condor acquired the Soledad Project in late 2011, controlling it through its 100% equity in the registered owner Vertiente. Their exploration work included geological mapping, prospecting, rock sampling and grid geophysical surveys.

In early 2012 Condor located a zone of intense advanced argillic alteration identified within the topographically highest elevations (4,500m) in the northeastern sector of the Soledad Project that measured approximately 650m by

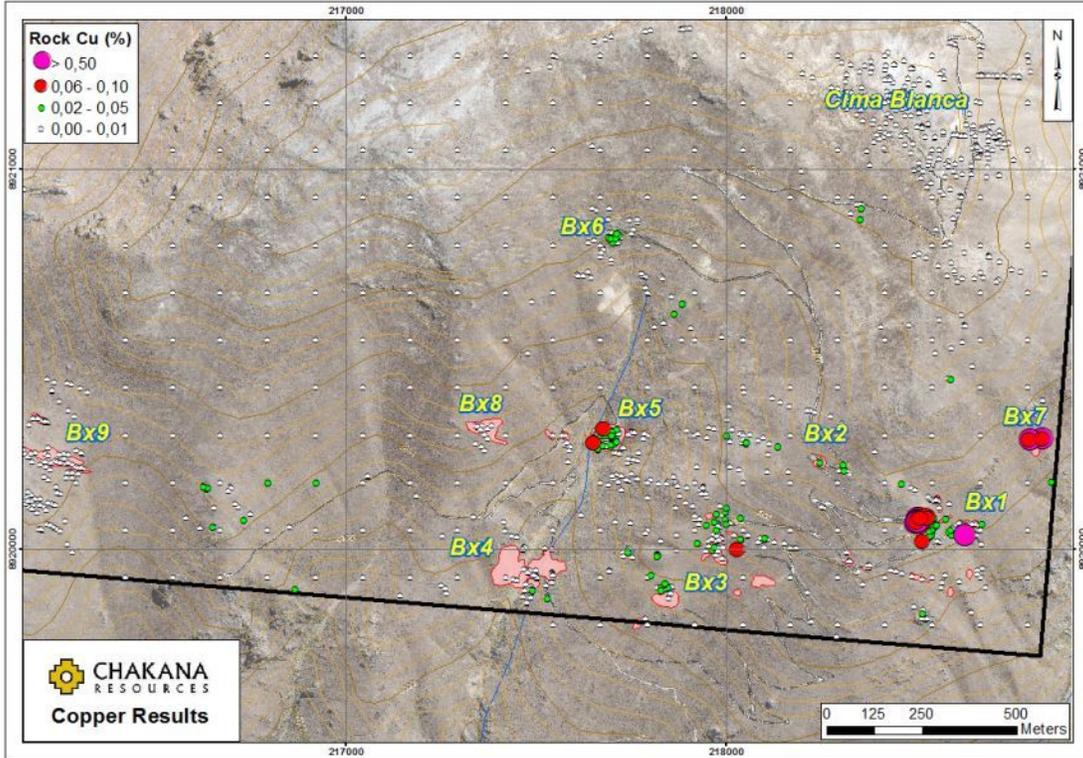
450m. The Cima Blanca prospect is marked by multiple thin (<1.0 m) linear domains of quartz-alunite, along with vuggy quartz in leached porphyritic volcanic rock within the argillic alteration zone. It was interpreted to represent a high sulphidation epithermal system that is possibly overlying silica ledges or breccias and an intrusive at depth. Geochemical rock chip samples are anomalous in gold and silver within this pervasive advanced argillic alteration zone. Sampling of a 30 cm wide drusy quartz veinlet swarms within the broad zone of advanced argillic alteration returned peak gold values of 10.1 g/t, 17.4 g/t and 31.9 g/t Au and 79.5 g/t Ag from grab samples.

Condor collected 584 chip and chip-channel samples and 64 grab samples in late 2011 through 2012 and 2013. Samples were collected at regular spaced stations across the Soledad Project as well as on outcrops of interesting, altered or obviously mineralized outcrops. Sampling results highlighted the Cima Blanca gold prospect as well as the breccia bodies being strongly anomalous in gold, silver, zinc, lead, copper, bismuth, molybdenum, antimony and arsenic. Sample lengths, azimuth and inclination were not recorded so the data is of little use in a resource model. Samples are plotted as point-source or grab samples by Condor (see table above titled “Rio Drill Collar Locations and Reported Results”). Sampling results were useful since they helped delimit mineralization within and surrounding areas of brecciation and alteration, strengthening the merits of individual breccia bodies and coincident geophysical anomalies.

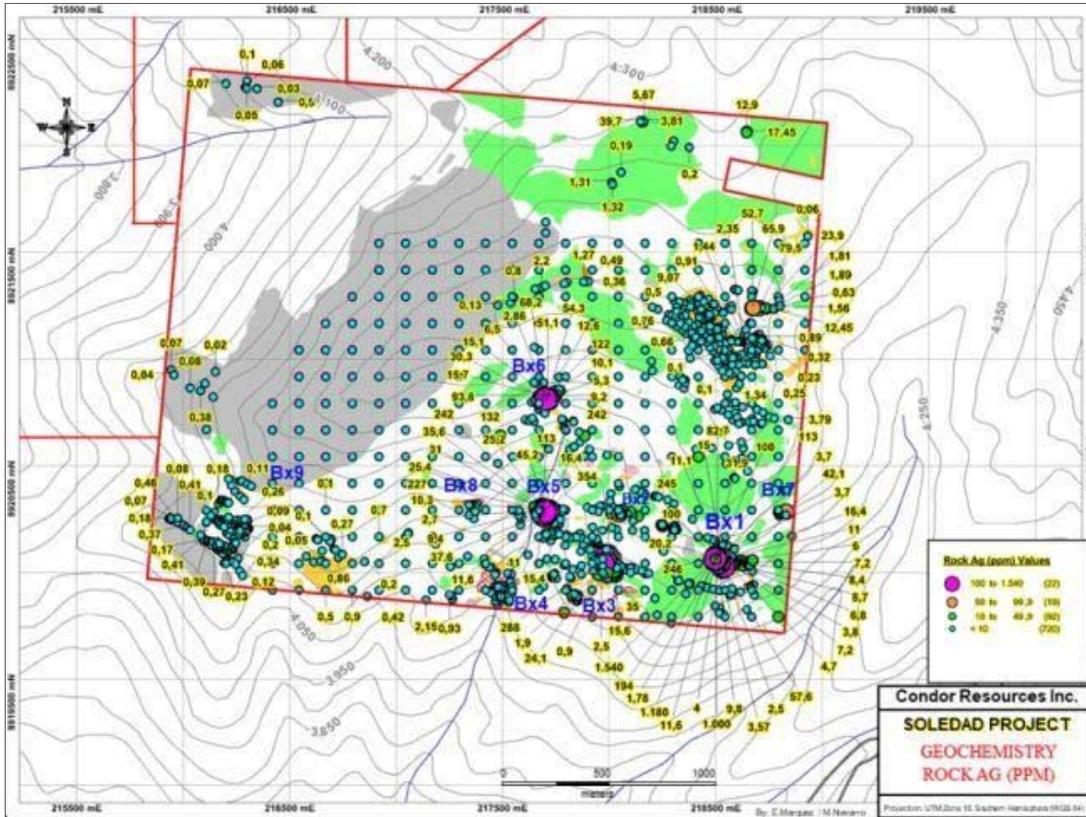
Rock Sample Results – Gold (Condor & Mariana)



Rock Sample Results – Copper (Condor & Mariana)



Rock Sample Results – Silver (Condor & Mariana)



The 16.8 line-kilometer ground magnetic and time-domain IP geophysical survey was carried out during late March to early April, 2012 (VDG del Peru, 2012). Fifteen north-south lines were surveyed pole-dipole at 50, 100 y 150 metre separations with a theoretical depth penetration of 198 to 225 metres. The IP data was inverted using Res3DInv, a Geotomo Software. The geophysical results are complex but three strong chargeability anomalies are highlighted, referred to as IP1 through IP3. The breccia pipes are easily readily detected by the geophysics and appear to be part of a larger low resistivity semi-circular structure at depth which may be due to argillic clay alteration that was interpreted to represent an aureole around a deep intrusion. A total of nine (9) breccia pipes have now been identified on the Soledad Project. The IP survey was extended by 10 line-kilometers to cover the Cima Blanca prospect to the northeast.

The geophysical data collected by Condor has been examined in greater detail by Chakana and is discussed further under “Exploration”.

Geological mapping by Condor in 2012 was done using satellite imagery and handheld gps for control. Mapping information is currently available in MapInfo formats, and the mapping by Condor has not been superseded; it remains in use. Based upon the author of the Technical Report’s property examination the mapping by Condor is valid and is a useful guide to the overall geology of the Soledad Project.

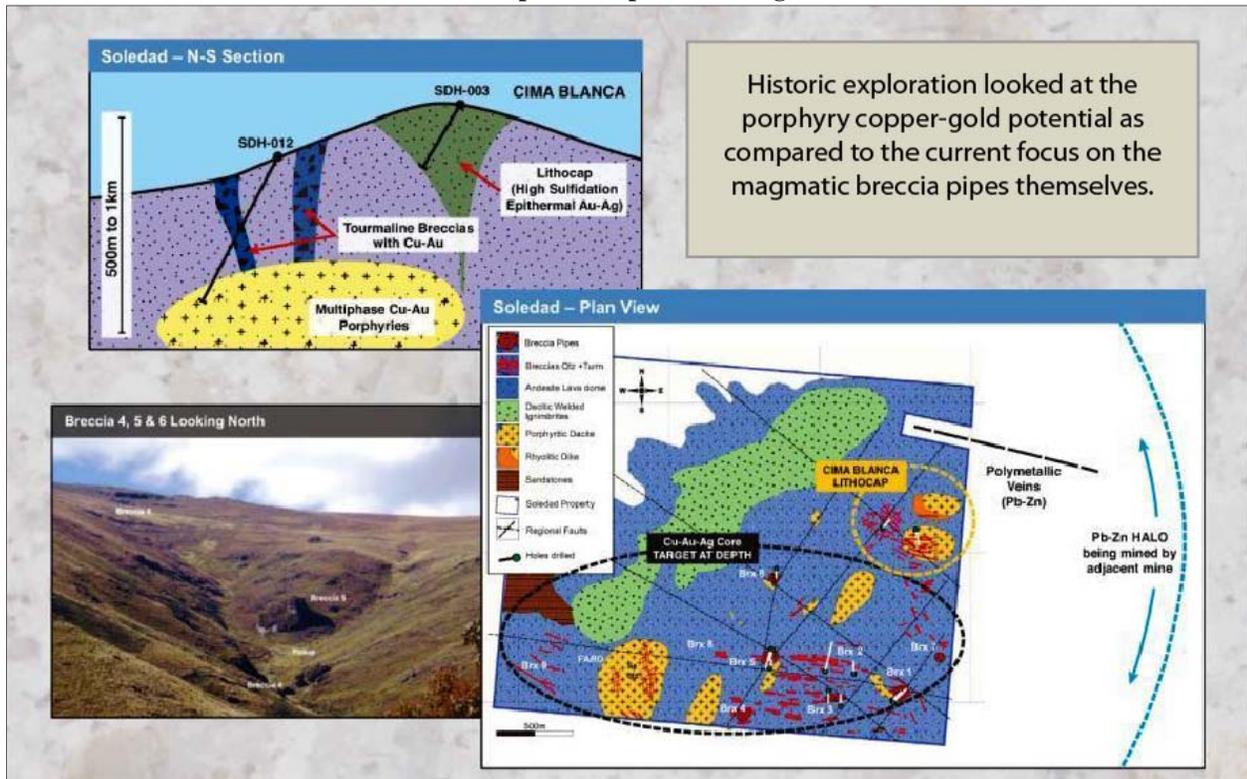
Condor optioned the Soledad Project to Mariana in November 2013.

Mariana

Mariana completed 12 diamond drill-holes totalling 2,084m in 2014, and followed with a “deep” geophysics program in 2015 in order to define drill targets for a follow up drill program. Mariana also completed some detailed rock sampling and mineralogical studies of the core. Mariana conducted its activities through Vertiente.

Mariana viewed Soledad as a porphyry target and the quartz-tourmaline breccia pipes as a hanging wall expression of a large porphyry system, the spatial relations of which are illustrated in this graphic from page 12 of a February 2015 presentation by Mariana:

Mariana Conceptual Simplified Geological Model



Mariana took 285 chip-channel samples from mineralized outcrops using a rock saw, chisel and hammer. Where observed by the author of the Technical Report samples were usually one metre in length and were taken perpendicular to any rock contacts, fabric, veins or sheeting. Sample length, azimuth and inclination were not recorded making the data is of little use in a resource model. Mariana also collected 389 grab samples. Samples are plotted as point-source or grab samples by Mariana and Condor. Sampling results were useful since they helped delimit mineralization within and surrounding areas of brecciation and alteration, strengthening the merits of individual breccia bodies and coincident geophysical anomalies.

Channel sampling results from five of the breccia pipe zones were reported by Mariana:

Surface Chip & Channel Sample Results reported by Mariana

Target	Trench #	Length (m)	Au (g/t)	Ag (g/t)	Cu (ppm)
Bx #1	1	7.8	8.56	9.77	397.69
	2	3.4	7.59	112.47	2577.35
	3	2.2	6.00	84.41	1145.45
	4	4.6	3.68	48.50	310.00
Bx #3	1	1.0	1.08	53.10	110
	2	1.0	4.80	75.00	548
Bx #5	1	10m	1.33	142.49	138.10
Bx #6	1	25.5 m	0.24	40.66	87.29
Bx #7	1	4.7 m	0.42	12.64	247.02
	2	1.9 m	0.93	16.74	218.42
	3	2.0	0.23	2.50	69.00

Reported surface chip and channel sample results are not true widths. True widths are not known. Based on the mapping, channel sampling and review of geophysics, Soledad was subdivided into a number of zones of interest by Mariana, some of which contain multiple targets. Target areas highlighted by Mariana include:

Area A (Cima Blanca) – A 500 x 250m target area with high sulphidation epithermal mineralisation with strong to moderate silicification, advanced argillic alteration, sulphidic vuggy silica with strong mercury anomalies up to 35ppm Hg in channel samples and anomalous gold (Condor sampling) with potential breccia pipes at depth (coincident resistivity/chargeability anomalies).

Area B – Breccia 6 with 25.5m @ 0.2 g/t Au, 41 g/t Ag (Trench 1) and a prominent resistivity anomaly.

Area C – Possible mineralised intrusive, central to the “ring” of breccia pipes indicated by coincident magnetic, resistivity, chargeability anomalies and mapping.

Area D - Multiple breccia pipes hosted by andesite (including Breccias 1, 2, 3, 5 and 7), variable characteristics but typically 30□80m diameter EW, and some showing a combination of a number of pipes. Breccia sulphides include arsenopyrite, sphalerite, galena, chalcopyrite, pyrite with associated copper oxides, probable silver sulfosalts and gold. Core zones are silicified with drusy quartz (up to 1 g/t Au and chalcedonic quartz with sulfide in the breccia matrix (up to 8 g/t Au). Host andesite display phyllic, argillic, propylitic and silica □ tourmaline alteration. Breccia 5 is the largest breccia pipe with the best geophysical response and promising channel sample results

Area E - Faro was a new target discovered southwest side of the main area of interest and consists of dacitic porphyry with sheeted sulphide veins with anomalous copper (200 ppm Cu and molybdenum (300 ppm Mo).

Mariana used its outcrop sampling to map alteration with ALS Minerals’ spectral scan. This method employs a TerraSpec 4 HR spectrometer to scan coarse rejects that are created as part of the analytical sample preparation protocol. Visible and infrared light is used. The raw spectral data is processed with aiSIRIS software that creates a spreadsheet matching sample numbers to mineral assemblages. These can then be merged with the geochemical results and field notes. Spectral scans are often used in epithermal and porphyry exploration targets, and can be effective at identifying fine grained alteration minerals that are sensitive indicators of fluid temperatures, chemistry, Eh and pH conditions. Micaceous, carbonate, and a variety of other hydrous minerals undergo subtle structural

changes with changing fluid conditions and the expectation is these could map hydrothermal pathways worthy of drilling. Alteration minerals reported include amphibole, carbonate, chlorite, epidote, gibbsite, goethite, hematite, kaolinite, montmorillonite, tourmaline and white mica. The TerraSpec 4 data has not been incorporated into the Soledad database and has not been used other than to confirm alteration mapped previously by Condor geologists (Ever Marquez, personal communication).

The geophysical campaign was completed during the period of March 2015 and consisted in 7.20 km of Induced Polarization survey. The results of ground induced polarization surveys gathered in previous campaigns completed for Condor in June 2012 and November 2014 were merged with the results of the 2015 campaign. The 2012 survey were completed using dipoles length from 50 to 150 meters that allowed reaching a maximum depth of investigation of 197 meter below surface, whereas the 2015 and 2014 surveys were completed using larger dipoles length from 100 to 400 meters in order to reach a maximum depth of investigation of 527 meters. The Pole-Dipole array was used for all geophysical campaigns.

This geophysical survey confirmed a significant conductivity anomaly below Breccias 4, 5, and 6 (the “Soledad Central” target), as well as a new target to the west of the 2012 geophysics and the 2014 drilling (the “Faro” target). Both targets were interpreted to be related to a mineralized porphyry system at depth that has generated the nine breccia zones near surface.

The geophysical data collected by Mariana has been examined in greater detail by Chakana and is discussed in further under the heading “Exploration” below.

The primary focus of Mariana’s exploration at Soledad was drilling. Drilling was performed by Energold Drilling Peru SAC utilizing a portable S-2 hydraulic diesel rig.

Mariana Drill-hole Information

DDH #	UTM Co-ordinates		Altitude (m)	Az	Dip	Length (m)	Target
SDH-001	218485E	8920040 S	4350	45° N	-45	96	Bx #1
SDH-002	218413 E	8921145 S	4550	40° N	-50	88.5	Cima Blanca
SDH-003	218607 E	8921116 S	4550	165° N	-60	273	Bx #3
SDH-004	218020 E	8920075 S	4280	180° N	-50	124.5	Bx #3
SDH-005	217707 E	8920837 S	4420	170° N	-60	85.5	Bx #6
SDH-006	218084 E	8919980 S	4260	360° N	-50	102	Bx #5
SDH-007	217707 E	8920328 S	4225	205° N	-65	142.5	Bx #5
SDH-008	218244 E	8920182 S	4378	360° N	-60	117	Bx #1-Bx#2
SDH-009	218485 E	8920040 S	4350	45° N	-80	321	Bx #1
SDH-010	217690 E	8920249 S	4180	15° N	-60	55.5	Bx #5
SDH-011	218035 E	8920205 S	4340	10° N	-75	241.5	Bx #2
SDH-012	217707 E	8920328 S	4225	205° N	-85	437.35	Bx #5

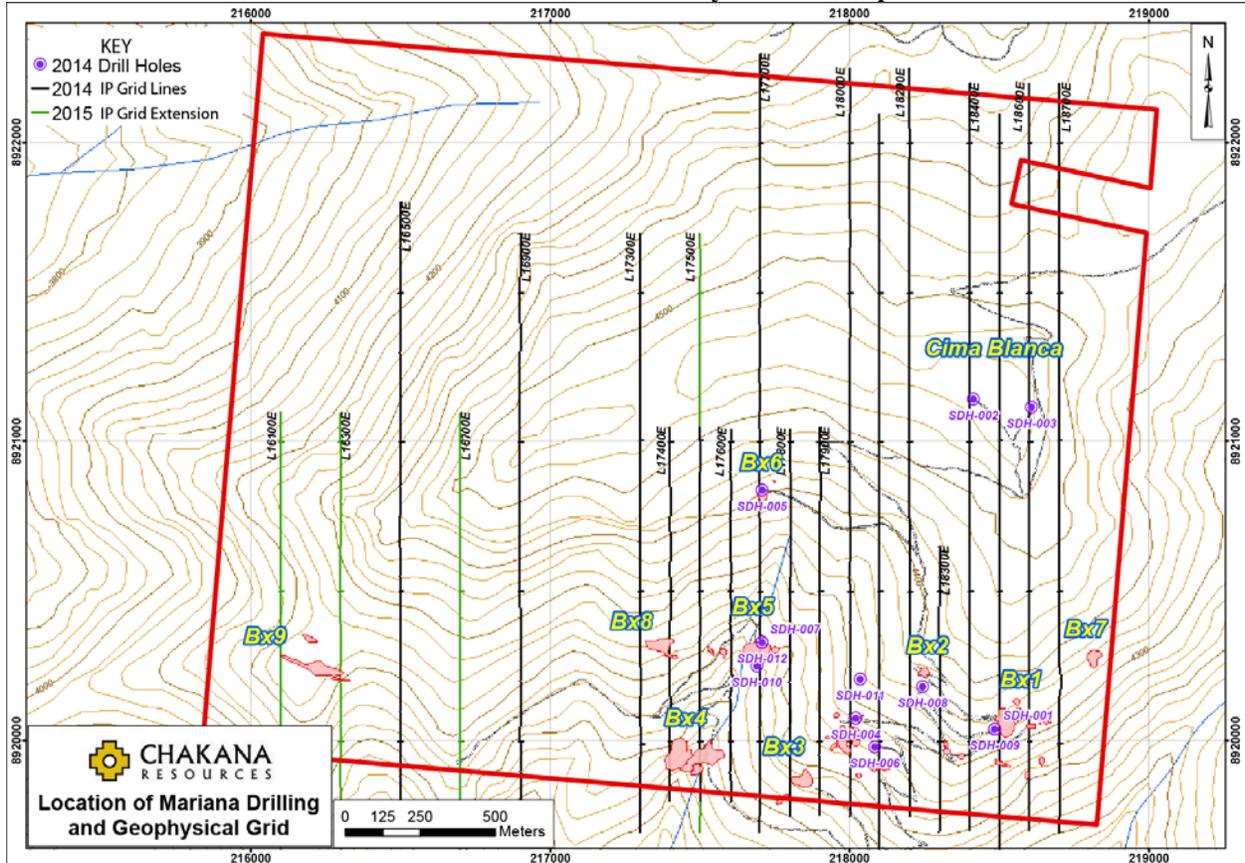
Drilling was designed to test a vertical, pipe-shaped target both to depth and across its widths. Reported intervals are not “true widths” but are instead an indication of the depths that mineralization of note has been encountered, in a target-type where the depths are much greater than the widths.

Mariana, Summary of Significant Drill intersections

DDH #	From ... to (m)		Core length (m)	Au g/t	Ag g/t	% Cu
SDH-001	54.00	87.00	33.00	3.45	22.8	0.95
	<i>59.00</i>	<i>80.00</i>	<i>21.00</i>	<i>5.16</i>	<i>34.4</i>	<i>1.48</i>
SDH-002	No significant results					
SDH-003	43.00	48.00	5.00	3.94	13.4	
SDH-004	5.00	10.00	5.00		18.8	
SDH-005	0.00	76.00	76.00	0.53	33.4	0.02
	<i>2.00</i>	<i>39.00</i>	<i>37.00</i>	<i>0.82</i>	<i>65.1</i>	<i>0.03</i>
SDH-006	72.00	76.00	4.00	0.10	11.2	0.19
SDH-007	33.00	129.00	96.00	0.92	15.2	0.22
	<i>66.00</i>	<i>92.00</i>	<i>26.00</i>	<i>1.27</i>	<i>38.5</i>	<i>0.30</i>
SDH-008	No significant results					
SDH-009	92.00	266.00	174.00	0.74	114.2	1.18
<i>including</i>	92.00	118.00	26.00	0.84	134.3	2.06
<i>including</i>	141.00	207.00	66.00	0.67	107.8	1.36
<i>including</i>	236.00	265.00	29.00	1.85	301.0	2.05
SDH-010	Hole abandoned					
SDH-011	29.00	35.00	6.00		19.35	
SDH-012	87.00	248.00	161.00	1.29	12.7	0.38
<i>including</i>	<i>87.00</i>	<i>108.00</i>	<i>21.00</i>	<i>2.49</i>	<i>19.0</i>	<i>4.00</i>
<i>including</i>	<i>111.00</i>	<i>162.00</i>	<i>51.00</i>	<i>1.77</i>	<i>18.0</i>	<i>0.50</i>
<i>including</i>	<i>175.00</i>	<i>193.00</i>	<i>18.00</i>	<i>1.36</i>	<i>13.7</i>	<i>0.70</i>

Mariana's geophysical survey coverage, drill collar sites, and targets are illustrated in the following graphic from page 13 of its February 2015 presentation.

Mariana Drill-hole & IP Survey Location Map



Mariana's first hole, SDH-001, located in Breccia #1, was planned as a validation hole twinning DDH-005 drilled by Rio Amarillo in 1996. The depth and grade are similar to the 1996 results, which reported 28.5m of 1.1% Cu, 5.0 g/t Au, and 28 g/t Ag.

SDH-002 was drilled to a depth of 88.5m on the Cima Blanca target and was located to test a prominent chargeability anomaly coinciding with a zone of argillic alteration at surface. SDH-002 intersected pyritic breccias related to structures with kaolinite alteration from 19m to 43m, and granodiorite with propylitic alteration and disseminated pyrite from 43m.

SDH-003 was drilled approximately 100m east of SDH-002 in the centre of the argillic alteration zone, and intersected approximately 132m of weak molybdenite and moderate pyrite mineralization (veins, disseminations, stockworks hosted in granodiorite), and associated quartz-sericite alteration, starting at 127m. Mariana's initial interpretation of the SDH-003 intersection was that of a high level porphyry system.

SDH-004 and SDH-006 were both drilled in Breccia #3, a target more aptly described as an area of multiple sub parallel quartz-tourmaline breccias associated with EW trending structures. Both holes in Breccia #3 intersected minor zones of mineralization.

SDH-005 tested Breccia #6. The first 76m of SDH-005 was similar to Breccia #1, exhibiting intensely mineralized breccia which returned 0.53 g/t Au, 33.4 g/t Ag. SDH-005 is about 100m higher in elevation than SDH-001, leading to Mariana speculating there may be a copper mineralized zone below.

SDH-007 tested Breccia #5, and intersected mineralized breccia from 33m to 129m that averaged 0.92 g/t Au, 15 g/t Ag, and 0.22% Cu over 96 metres. Included are higher grade intervals, with the highlight including 26m of (1.27 g/t Au, 38g/t Ag, and 0.30% Cu starting at 66m).

SDH-008 returned no significant results. The target is not clear being either an IP anomaly or outcropping quartz-tourmaline veins that are mapped between Bx #1 and Bx # 2.

SDH-009 was the first deep hole into Bx #1. It intersected 174.00m grading 0.74 g/t Au, 114.2 g/t Ag, and 1.18% Cu.

SDH-010 drilled into Bx #5, was abandoned at about 55m due to technical problems.

SDH-011, located 350m east-south-east of SDH-012, was drilled to a depth of 242m in Breccia #2. This drill-hole intersected silicified andesite with tourmaline-pyrite, and anomalous silver to about 63m, with the best intercept being 6m of 19 g/t Ag from 29 to 35m.

SDH-012 was a near vertical hole (85°) drilled to 437m depth from the same setup, as SDH-007, to test for possible higher grade feeder zones and indications of underlying mineralized porphyry associated with the cluster of mineralized breccias expressed at surface within the roughly 1 km diameter area of interest. SDH-012 intersected 161m of mineralized quartz-tourmaline breccia (from 87m to 248m) that averaged 1.3 g/t Au, 13 g/t Ag, and 0.38% Cu, and was reported to exhibit quartz-sericite alteration of clasts within a quartz-tourmaline-pyrite and chalcopyrite matrix.

Note that all holes were drilled down or oblique to the plunge of the breccias. True widths are unknown, and since pipe shapes maybe irregular there remains uncertainty in the true size of the pipes. More drilling is required to accurately determine horizontal widths. Also, there appears to be a tendency to higher grades at the margin of the pipes and drill-holes need to cross the pipes to accurately determine the grade profile. Differing styles of breccia and mineralization may also be stacked vertically within a pipe; further drilling will be necessary to confirm these relationships.

Mariana’s exploration at Soledad concluded in September 2015 in order to concentrate its financial resources on a project in Turkey. Mariana’s work is pivotal to Soledad since it represented the first rigorous sampling and “deeper” drilling of the mineralization and provided important geophysical information that suggests additional, untested potential.

Mariana merged with Sandstorm Gold Ltd. on July 3, 2017.

Casapalca

Casapalca is a private, 30-year old Peruvian mining company that operates the Americana Mine located 100 km east of Lima. Casapalca focused its exploration on drilling four core holes totalling 2816m between April 4, 2016 and May 29, 2016. The purpose of the drill programme was to verify the porphyry model proposed by Condor. Drilling was performed by GeoDrill SAC of Peru. The type of drill is not reported.

Casapalca Drill Hole Locations

DDH #	UTM Co-ordinates		Altitude (m)	Az	Dip	Length (m)	Target
SDH-013	217698 E	8920301 S	4218	25° N	-80 ⁰	600.00	Bx #5
SDH-014	217708 E	8920821 S	4413	170° N	-81 ⁰	824.40	Bx #6
SDH-015	218603 E	8921115 S	4558	237° N	-75 ⁰	450.60	Cima Blanca
SDH-016	218522 E	8920049 S	4345	325° N	-80 ⁰	941.00	Bx #1

Drilling by Casapalca was designed to test a vertical, pipe-shaped target both to depth and across its widths. Reported intervals are not “true widths” but are instead an indication of the depths that mineralization of note has been encountered, in a target-type where the depths are much greater than the widths.

Casapalca - Significant intersections

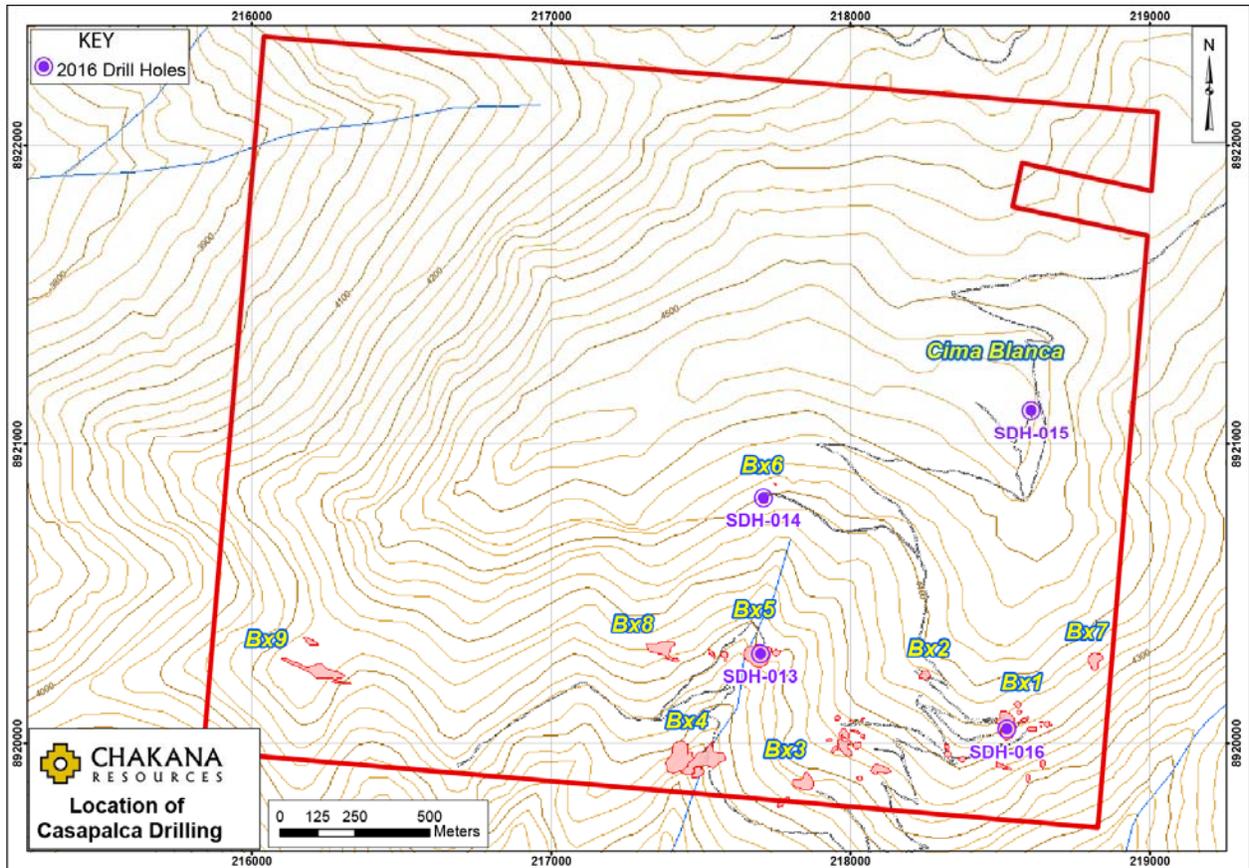
DDH #	From ... to (m)		Core length (m)	Au g/t	Ag g/t	% Cu	Notes
SDH-013	0	119	119	1.30	27.1	0.32	
includes	59	118	59	1.79	32.9	0.48	
SDH-014	0	164	164	0.42	70.0	0.13	
includes	0	119	119	0.43	35.2	0.11	
includes	119	123	4	0.69	1666.0	1.81	
includes	123	164	41	0.37	15.2	0.05	
and	582	607	25	-		0.34	320 ppm Mo
and	639	842	203	-	-		
includes	670	703	33			0.22	
SDH-015	no significant results						
SDH-016	0	490	490	0.74	30.3	0.39	
includes	0	290	290	1.04	33.5	0.47	
Includes	0	24	24	4.96	31.3	0.02	
Includes	24	40	16	0.48	11.8	0.01	
Includes	40	75	35	3.48	37.1	0.72	
Includes	75	116	41	0.47	88.6	1.12	
Includes	116	172	56	0.10	4.2	0.05	
Includes	172	223	51	0.18	45.5	0.79	
Includes	223	255	32	0.06	4.02	0.09	
Includes	255	290	35	0.56	35.4	0.53	
SDH-016	290	490	200	0.30	25.8	0.28	0.5% zinc

SDH-013 and SDH-014 are near vertical holes, located on the surface exposure of Breccia's 5 and 6, respectively, which are located 500 meters from each other. SDH-014 is 200m higher in elevation than SDH-013. These holes were designed to provide more information on the extent of the breccias, and to test for evidence of porphyry style mineralization and alteration at depth.

SDH-013 was mineralized from surface to 119m. The drill core from this hole shows phyllic alteration and increasing amounts of tourmaline and pyrite to depth.

SDH-014 was drilled to a depth of 824m at Breccia 6 where prior drilling in 2014 (SDH-005) was limited to a 60° dip, 86m hole, which tested the geometry of the breccia. SDH-014 was mineralized from surface to 164m. The breccia pipe at 164m is described as quartz tourmaline with massive pyrite and chalcopyrite in the matrix, and is thought to be part of the late event of the porphyry complex. Anomalous intervals of copper and molybdenum at roughly 600m and 700m depth, combined with the increasing intensity of veinlets at depth and phyllic alteration with assemblages of tourmaline and pyrite, also increasing at depth, were interpreted as indicators that the potassic mineralized core of a porphyry may be nearby.

Location of Casapalca Drill Holes

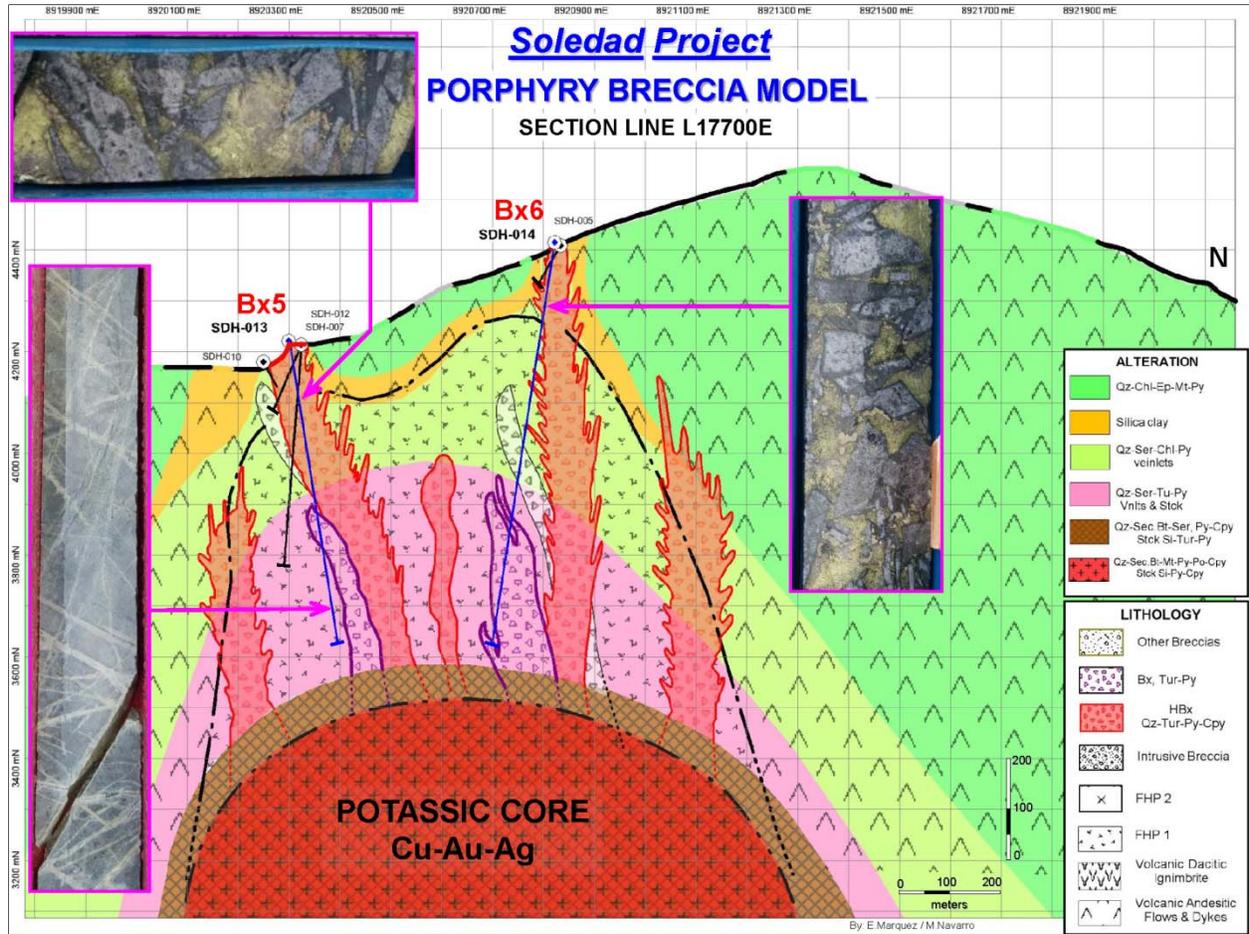


SDH-015, located in the north-east part of the project, approximately 1km to the northeast of SDH-014, was designed to test the Cima Blanca epithermal high sulphidation target, and was completed to a depth of 443m. It did not encounter significant mineralization.

SDH-016 is located near Breccia 1, approximately 900m east of SDH-013 and was completed to a depth of 940m. SDH-016 also encountered phyllic alteration below the breccia, and below the phyllic alteration drill logs report occurrences of quartz-secondary biotite-magnetite-pyrrhotite-pyrite-chalcopyrite. These are viewed by Condor as indicating a transition to the potassic core of the porphyry.

Results from SDH-016 indicate the nature of mineralization is complex, with the relative content of gold, silver and copper showing variance throughout the hole. Notable amounts of lead and zinc were also encountered at depth, including 200m of 0.5% zinc from 290m.

Stylized Cross Section Illustrating Mineralization Styles & Alteration in SDH-013 and 014
(source: Condor presentation April 2017)



Casapalca gave formal termination notice on their earn-in option on the Soledad projects, effective February 3, 2017. Termination was coincident with the death of the CEO of Casapalca and a decision by the company to focus on brownfields exploration. Casapalca undertook restoration of their drill access roads and drill pads in March 2017. In so doing all traces of their drill collars were destroyed as well as several of those from Mariana. The reclamation job itself appears to be very good.

The exploration work by Casapalca is important in that it demonstrated:

- Vertical continuity of several pipes;
- Sampled a significant vertical extent as well laterally, in both the pipes and country/host rock;
- Established evidence of alteration and veining at depth, possibly related to an igneous intrusion.

Geological Setting and Mineralization

Regional Context

The Peruvian segment of the Andean Cordillera is the “type-example” of Andean type subduction, with oceanic crust of the Nazca plate moving beneath the continental crust of the South American plate. This plate interaction has produced crustal thickening (of as much as 70 km) along its western margin, leading to an attendant surface uplift of thousands of metres.

The Andean Cordillera records three major geodynamic cycles: Precambrian, Paleozoic to Early Triassic, and Late Triassic to present. Prior to the last cycle, the current western edge of South America was a passive or “trailing” margin. The last cycle marked the opening of the South Atlantic in the Triassic and includes a first phase of Late Triassic to late Cretaceous subduction. During this phase, the Cordilleran belt was the site of major shelf sedimentation, bordered on the west by island arc volcanism or a marginal volcanic rift.

In the Late Cretaceous the Andean-type of subduction began by marine withdrawal and the emergence of the Cordillera. This phase is characterized by the recurrence of compressive pulses and the presence along the continental margin of a magmatic arc with intense plutonic and volcanic activity. During this phase, a sequence of compressive episodes, Peruvian (84-79 Ma), Incaic I (59-55 Ma), Incaic II (43-42 Ma), Incaic III (30-27 Ma), Incaic IV (22 Ma), Quechua I (17 Ma), Quechua II (8-7 Ma), Quechua III (5-4 Ma), and Quechua IV (early Pleistocene) formed three major, successive, and eastward-shifting fold and thrust belts: Peruvian (Campanian), Incaic (Paleocene-Eocene) and sub-Andean (Neogene) (Benavides-Caceres, 1999).

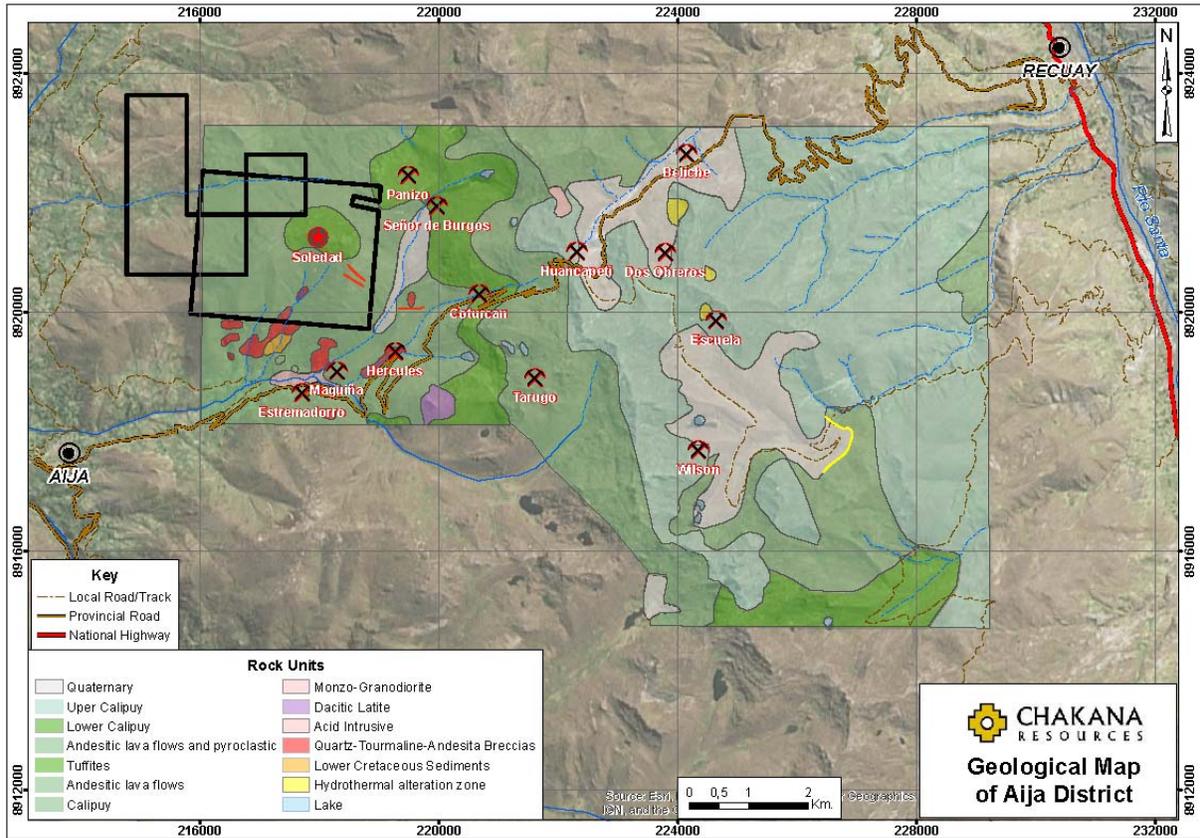
Local Setting – Aija District

The oldest exposed rocks in the Aija District are Upper Jurassic Chicama Formation mudstones overlain by Lower Cretaceous sedimentary rocks of the Goyllarisquizga Group (Chimu, Santa-Carhuaz and Farrat Formations). These shallow marine units are exposed as inliers and fault-bounded blocks west of the Soledad Project. Lower to Middle Cretaceous submarine andesite to rhyodacite flows and pyroclastic tuffs, belonging to the Casma Group occur at lower elevations, 25 to 30 km west of the Soledad Project. The Mesozoic stratigraphy has been folded about northwest to west-verging isoclinal axes and has been intruded by late Cretaceous to Oligocene granodiorite and diorite (Coastal Batholith) that outcrops at lower elevations west of the Soledad Project. An area of outcropping diorite and monzonite is found in the southwestern portion of the Soledad Project (see “Geological Map of the Aija District” below)

The Cenozoic (Eocene to Miocene) Calipuy Group forms a relatively flat-lying to broadly folded, unconformable plate on pre-Calipuy basement that caps elevations in the region above 3,200 metres. The group is dominated by subaerial andesite flows, breccia and pyroclastic tuff, volcanoclastic conglomerate and grit, and dacite domes. The Calipuy Group is of highly variable thickness, ranging up to 2000 metres, and is broadly warped and faulted. The Calipuy Group may be, in part, the extrusive equivalent of the Coast Batholith. The Calipuy Group is the rock unit that hosts mineralization at Soledad.

Turnit et al (1982) offer the most recent description of the Aija District and the following extracts are placed in the context of the Soledad Project:

Geological Map of the Aija District (After Trurnit et al, 1982)



Between the Soledad Project and Aija small exposures of folded, Lower Cretaceous arenite, conglomerate, quartz arenite, calcareous argillite, gypsum, limestone, shale, and thin seams of coal occur. These rocks are probably Goyllarisquisga Group.

Most of the district is underlain by the Tertiary Calipuy Formation. This unit is composed of thick flows of lava and pyroclastic tuff and breccia with thin units of ignimbrites and air-fall tuff. The Calipuy rests unconformably upon Lower Cretaceous sediments.

Trurnit et al (1983) reports that the Calipuy Formation is divided into a more folded lower group and a less intensely folded upper group separated by an angular disconformity. The lowest exposed Lower Calipuy (at an elevation of 3900 m) is immediately southwest of the Soledad Project where it is in contact with an intrusive rock (Tumilian et al, 1972) equated to the Coastal Batholith. Trurnit et al report that the Lower Calipuy Group is up to 2600 m thick in the district. The highest reaches of the Cordillera Negra consist predominantly of the Upper Calipuy sequence. The Upper Calipuy is less thick and more acidic than the Lower Calipuy Group. It is made up of dacitic, rhyolitic, and rarely andesitic lavas, pyroclastic flows, tuff and ignimbrite. The beds and flows are the erosional remnants of what was once a much thicker sequence.

A clastic unit of lacustrine red-coloured argillite, shale, rare limestone and conglomerate occurs at the bottom of the Upper Calipuy Group south-east of the Soledad Project. There is a similar sequence reported in the upper layers of Upper Calipuy 8 km east of the Soledad Project. The Upper Calipuy Group is estimated to be up to 300-400 m thick in the district.

Quaternary glacial debris (basal and ablation till, and minor ice contact stratified drift) covers valley bottoms and gentle slopes, including the Soledad Project where it obscures large areas of outcrop.

The only plutonic intrusive rock exposed at the surface in the district is an elliptical exposure of a monzonitic to granodioritic equated to the coastal batholith. It crops out in an erosional window just southwest of the Soledad Project at an elevation of 3900 m. The mineralogy is predominantly plagioclase, orthoclase and hornblende, and minor quartz. Trurnit et al (1982) noted that "a network of shrinkage fractures is filled mainly with quartz and tourmaline, some epidote, arsenopyrite and traces of chalcopyrite and pyrite. Quartz-tourmaline breccia bodies with epidote and altered fragments of andesite are found in the contact zone of the intrusive complex. Trurnit suggests that they extend 200 to 300 m above the contact into the Lower Calipuy Group and notes that similar bodies of breccias with quartz and tourmaline have been encountered on the sixth (lowest) level of the Hercules mine, 2 km east of the Soledad Project. Drilling at Soledad suggests much greater vertical extent of these breccias is likely.

Folding: The angular disconformity between the Lower and Upper Calipuy Groups is caused by the "Inkaic Orogenic Stage" at the beginning of the Oligocene. The "Quechua Orogenic Stage" also included the Upper Calipuy in the folding process. The unconformity caused by this orogenic stage is eroded away in the mining district.

The axial plane of folding has an "Andean" strike (330° to $345^{\circ} \pm 20^{\circ}$). The intensity of folding increases and the distance between folds decreases in the mining district eastward towards the east.

Trurnit et al (1982) suggest that volcanic activity started again after the erosional period following the "Quechua Orogenic Stage". Though no volcanic deposits of this epoch are preserved in the district related volcanic vents (dykes) provided channel-ways for vein mineralization.

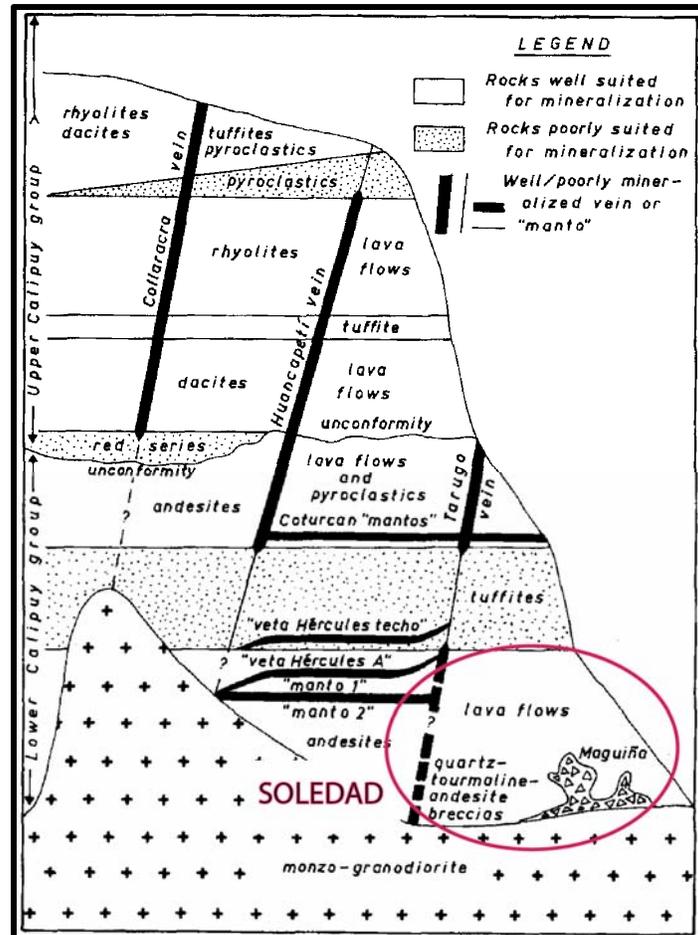
Faulting: Several main structural strike directions stand out in the mining district. Most of the veins, faults, and fissure, as well as the drainage system follow this structural pattern. These directions in order of importance are: Diagonal, including the "Huancapetl System" (20° - 50°) and the "Tarugo System" (80° - 120° , Transverse: "Collaracra System", 60° - 70° , and "Andean", 330° - 345°

Both the Huancapetl and the Tarugo system trends are noted on the Soledad Project property.

Trurnit et al (1982) proposed that the Aija District sits along the southwestern rim of a 5 km-wide caldera. Based on structural considerations they suggest the caldera feature is more deeply eroded in the south-west, in the vicinity of the Soledad Project exposing the base of the paleo-volcano.

Schematic Section illustrating controls on Mineralization in the Aija District

(as proposed by Trurnit et al, 1982)



Property Geology

The preceding description of the district also applies to the Soledad Project. Exposure is variable; terrain is locally steep but not cliffy and can be readily traversed.

Quartz arenite, sandstone and shale, probably members of the Cretaceous to Early Jurassic Chicama and /or Goyllarisquisga Group are mapped on the western edge of the Soledad Project. The author of the Technical Report did not visit these exposures but did examine several outcrops in Aija and to the northwest and agrees with the assignment to the Chicama. The rocks in these areas are variably folded, locally schistose and deformed.

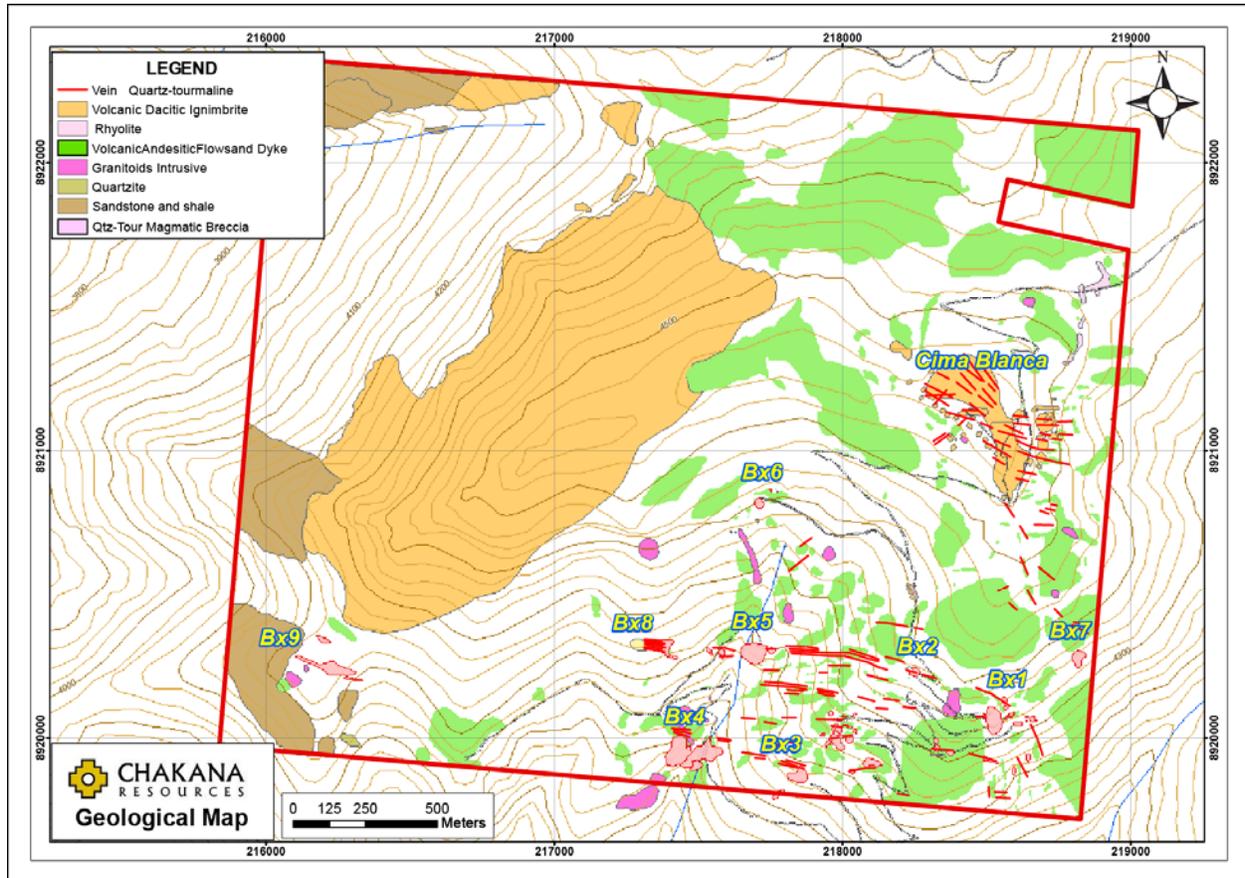
The Lower Calipuy is present as a monotonous sequence of massive flows and flow breccia. They are grey weathering, grey to green on a fresh surface and generally form local bluffs and ledges. Bedding is not obvious in most exposures. Minor intervals of thin to medium-bedded air-fall tuff are present and suggest that the sequence is relatively flat-lying. Bedding attitudes appear to change slightly near faults, veins and hydrothermal breccias. At higher elevations the Lower Calipuy appears to be felsic, mapped by Condor geologists as dacite and rhyolite. The author of the Technical Report did observe outcrops of light-coloured, feldspar-phyric rock with rare quartz "eyes" in the north and eastern areas of the Soledad Project, but cautions this is also the area of strong argillic alteration which makes original rock identification difficult.

While no faults have been mapped it is likely the south-flowing creek in the south-central part of the Soledad Project follows the trace of a fault. If so it would be a “Huancapetl System” feature.

Granitoids, including monzonite, granodiorite and diorite occur as dykes and sills cutting all rock units. These features often trend 010 to 025° and 090° but outcrop exposure is too limited to be certain of intrusive relationships. The main intrusive mass described by Trurnit et al (1982) and Tumialian 1972) is 800 to 100 m south and south-southeast of the Soledad Project, respectively.

Nine bodies of “Breccia” are mapped in the southern portion of the Soledad Project. These magmatic-hydrothermal quartz-tourmaline breccias are the primary focus of Chakana and Chakana’s exploration at Soledad.

Geological Map of Soledad, with Breccias and Cima Blanca Targets



Mineralization

Three styles of mineralization are found at Soledad, including magmatic-hydrothermal breccias (“the breccias”), veins and epigenetic high sulphidation replacement. Recent exploration has concentrated on the breccias and the possibility that these are related to a concealed, as yet undiscovered porphyry copper deposit.

The breccias are circular to elliptical in plan, steeply plunging pipe-like bodies that are up to 75 by 180 m and have been tested to vertical depths of up to 490 m. Nine have been mapped and sampled to date, 5 have been drilled, with Breccia #1 receiving the bulk of exploration drilling by previous companies. Several of the breccias weather proud forming rounded knobs with steep downhill-side faces (probably due to glacial plucking - *roche moutonnée*). There is considerable variation in details from breccia-to-breccia. Based on the first five holes drilled by Chakana in Bx#1 it appears the the orientation of shingle textures is predominately horizontal. Zones of disruption are common, and can range from several centimetres to several tens of metres in core length. All breccias can vary from quartz-tourmaline-sulphide-martix supported breccias with angular fragments presenting shingled aspect to more chaotic

breccias with angular to sub-rounded fragments with a jumbled or milled appearance. All the textural domains within the breccias may be sulphide-bearing but tight, shingle breccias appear to be less mineralized than more open, matrix-supported shingle breccia. Milled-appearing and chaotic domains within the breccias are variably mineralized. Fragment sizes range from centimetres to several metres on an edge and are most often altered andesite. Intervals with large fragments are frequently lower grade, suggesting clast size and abundance strongly impact grades. Based on the initial holes drilled by Chacana it appears that domains of low-gold and copper, high copper and high gold-copper might be joined with contacts that are parallel to the sub-horizontal orientation of the shingle breccias. This observation requires careful analyses following any additional drilling on Bx#1.

Illustrations of Breccia Textures and Mineralization at Soledad

	<p>Sillitoe & Sawkins (1971) breccia texture domains in pipes in Chile.</p>		<p>Sheeted fractures in sericite altered andesite. Main sulphide is pyrite, usually grades 0.2 to 2 g/t. Contact zone</p>
<p>Single breccia, fragments oriented sub-horizontal, quartz-tourmaline matrix. Chalcopyrite – pyrite as matrix where breccia is less tightly packed.</p>		<p>Shingle breccia on right passing into "normal breccia" on left with fragments jumbled. Bx#1 well mineralized with Cu, Zn, Pb sulphides gold and arsenopyrite</p>	
<p>Lower box approximately 20% sulphide minerals.</p>		<p>Polished core showing chalcopyrite-pyrite cement to breccia. Andesite fragments rimmed by tourmaline, replaced by arsenopyrite and pyrite.</p>	

At first glance the most distinctive mineralogical feature of the breccias is the quartz and tourmaline. Quartz is crystalline to sugary and fine grained. Tourmaline is black, fine-grained forming felt-like masses of acicular needles. All crystal growth in the breccia matrix starts from the edge of fragments inwards suggesting open-space filling. Major sulphide mineral species include chalcopyrite and pyrite. Intervals within a pipe may contain minor sphalerite, galena, chalcocite, covellite, tetrahedrite, tennantite and arsenopyrite. Grain-size is relatively coarse (5 to >25 mm). Sulphide minerals occur as matrix to the breccia fragments and as replacements in tuff fragments.

Breccia Textures and Mineralization from 2017 Cores



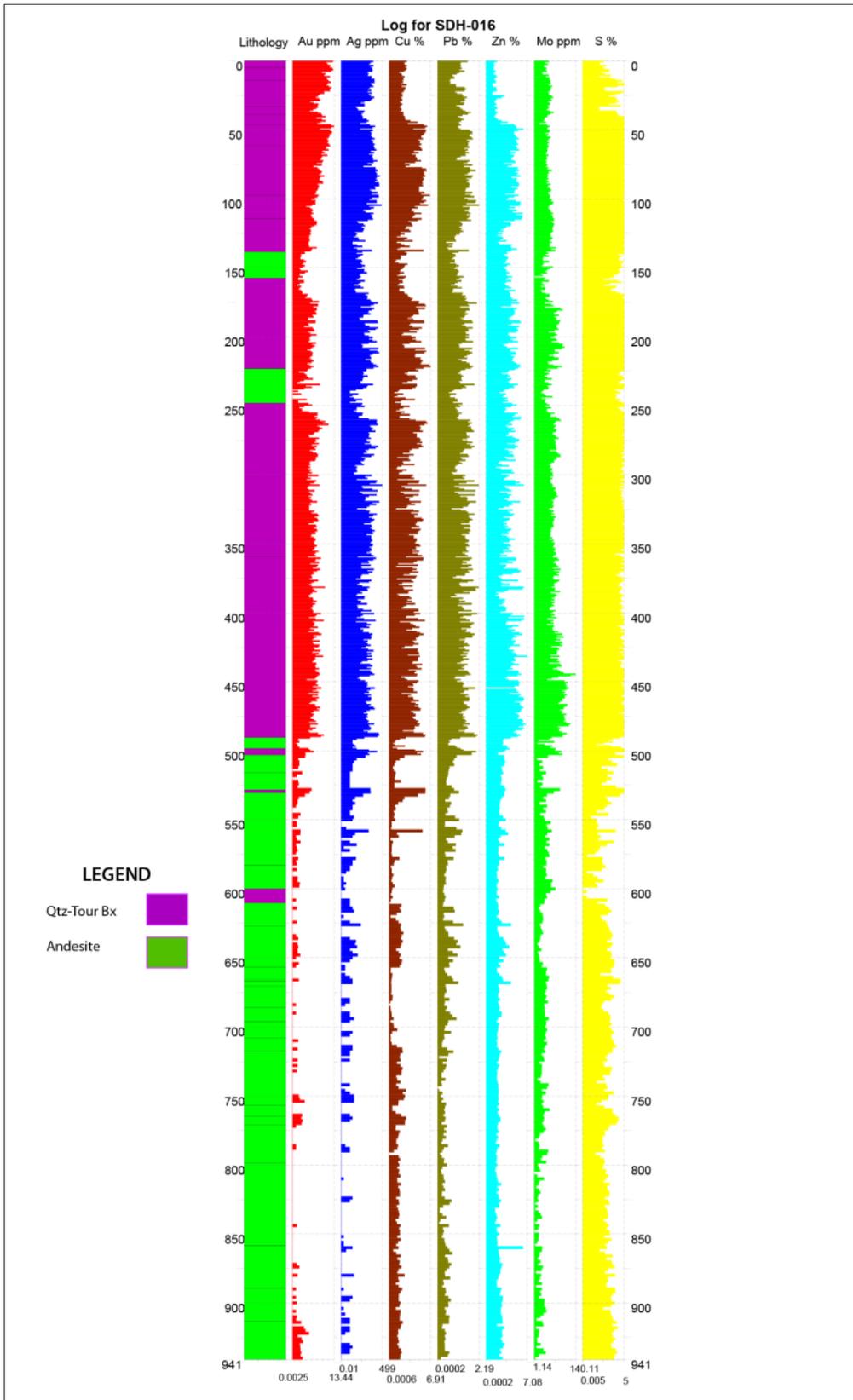
Upper left shingle breccia with strong conductivity along 50 cm of core. Upper right shock textures, chalcopyrite – pyrite matrix.

Lower left chalcopyrite, tetrahedrite, sphalerite and galena in late fracture filling. Lower right shingled breccia textures with late breccia disrupting shingle.



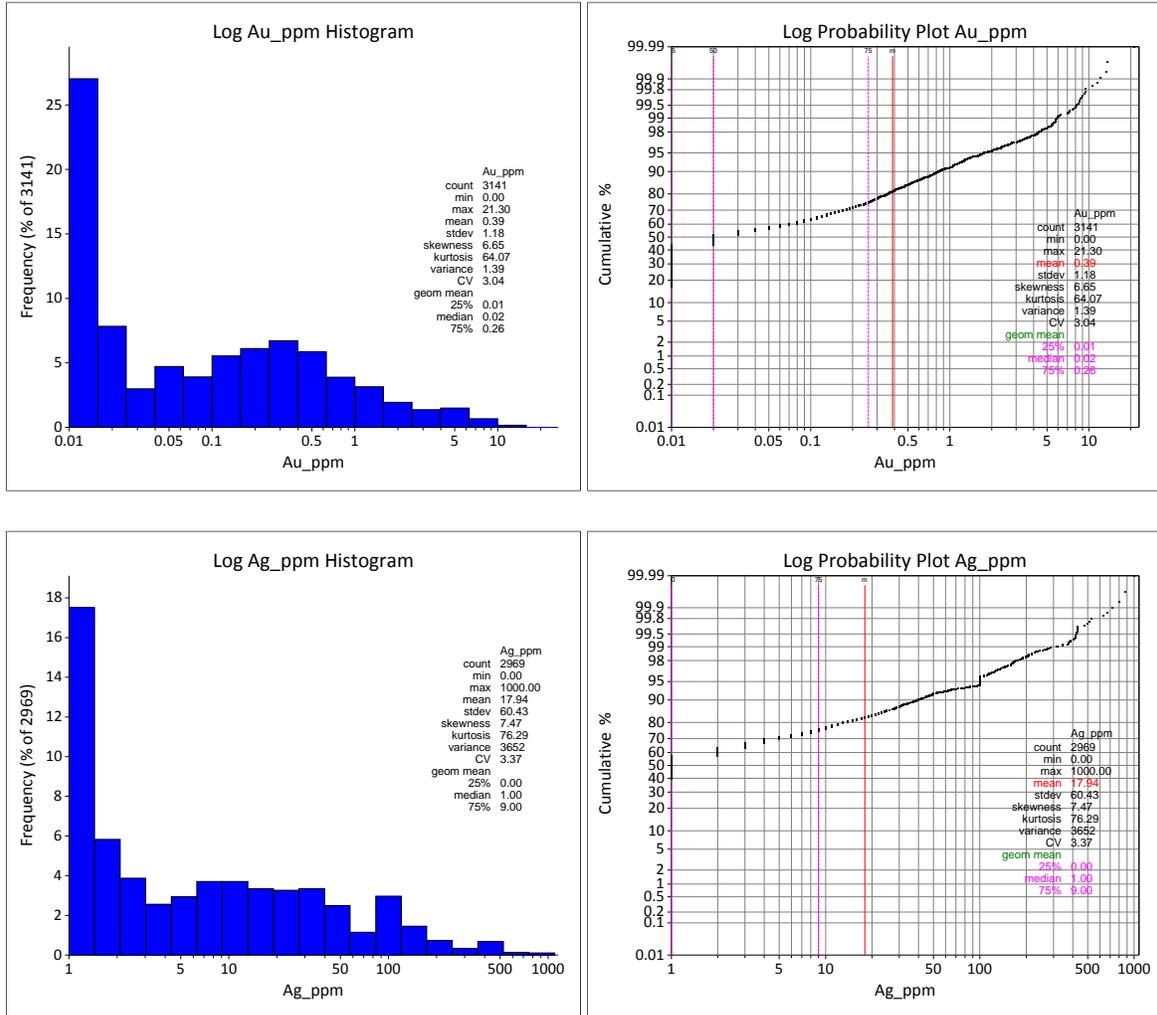
Copper, gold, silver grades from core and rock samples are summarized above under “History”. The strong geochemical association of the major elements of economic interest are illustrated in the diagram below titled “Strip Log Drill Hole SDH-016”, which is a plot of rock type and grades for gold, silver, copper, lead, zinc, molybdenum and sulphur with depth. Grade scales are logarithmic and range from zero to the highest value with the drill-hole. Strip logs of this type assist visualizing associations and patterns.

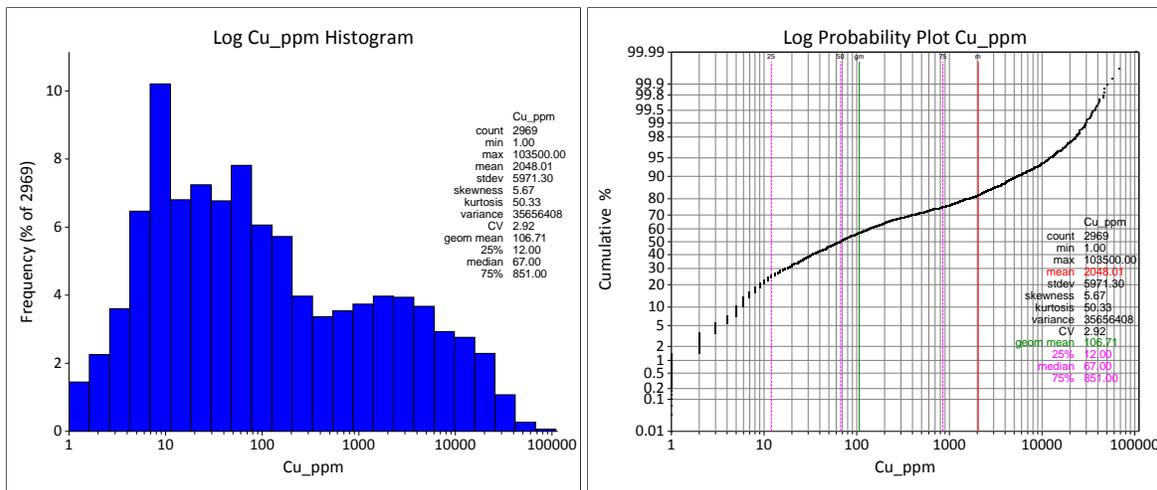
Strip Log Drill Hole SDH-016



The gold, silver and copper histograms in the figure below provide an idea of the multimodal nature of all analytical results within the combined data-sets of core samples submitted by Chakana, Mariana and Casapalca. A detailed statistical review is premature for a project at this stage of exploration however there is a suggestion that results are not normally distributed, instead being distinctly skewed with a high kurtosis suggesting a sizeable population of mineralized samples, and that eventually sub-setting the data into “mineral domains” will be necessary. The log probability plots suggest grade-capping should also be considered. This analysis is early-stage and will be replaced by a more rigorous study that will be part of any resource estimate, should exploration results continue to warrant it.

Gold, Silver & Copper Histograms & Probability Plots of Core Samples





The breccias are the host to primary copper-gold-silver mineralization, associated with zinc, lead and locally molybdenum. Arsenic may also be present. Mineralization may be present in both the hydrothermal breccias and the encompassing fractured and altered host andesite. Mineralization is polymetallic in nature with potentially significant value in gold, silver and copper. Mineral domain boundaries may cross major rock unit contacts, particularly in the case of gold and silver and boundaries may ultimately be defined by “assay walls” and not necessarily a geological contact. Metallurgical recoveries, mining methods and metal prices, which are not known at this time, will define and constrain the deposits for the purposes of resource modelling.

Veins:

Numerous sets of prominent ribs are found in the vicinity of the breccias. Most strike 080° to 100° and are near vertical. They tend to form distinct features from a distance but wall contacts and a well-defined vein structure is not always apparent on closer examination. Ribs appear to be the results of localized silicification, sometimes quartz-tourmaline veinlets that are enhanced by a thin selvage of soft sericite-altered andesite. These vein and vein-like structures are probably related to the vein systems found elsewhere in the Aija District, and are part of the “Tarugo System”.

Vein-type mineralization does not appear to cut the breccias. Despite the spatial association, similarities in gangue mineralogy and metal suites, veins in the district are distinctly copper-poor, richer in sulphosalt minerals and appear to lack mineralized volumes of major economic significance. Veins may be slightly older than the breccias, since breccias appear to cut through vein swarms.

Limited rock sampling by Condor of the numerous veins have not yielded any significant targets based upon grade, widths or apparent strike length. Veins are being mined east of the Soledad Project so the ultimate economic potential of these occurrences remains unknown.

High Sulphidation Epithermal:

Cima Blanca is a separate area of quartz-alunite alteration associated with vuggy silica and some gold mineralization. This is a high sulphidation epithermal style of mineralization and its relationship to the quartz – tourmaline breccias is not certain. It is possibly a near-surface expression of the vapour-charged fluids responsible for the magmatic-hydrothermal breccias. If so this follows the “classic” telescoping observed in many porphyry districts with gold-silver mineralization at high elevations associated with highly acid-leached volcanic rocks that are underlain at depth by porphyry copper gold deposits and breccia pipes.

Mineralization at Cima Blanca is hosted with narrow (< 1 m), discontinuous panels of vuggy silica-altered dacite and possibly porphyritic dykes. Hand samples can return multi-gram gold assays but mineralized structures are hard to trace. The higher gold samples have associated silver and elevated pathfinder element concentrations such as mercury and antimony.

The lack of deep weathering profiles in the Aija District makes it unlikely that an “oxide” gold deposit will be present, which in Peru is the main economic driver of developing high-sulphidation deposits. It also suggests that any significant mineralization at Cima Blanca will be hosted by pyritic domains within the alteration system and should be associated with a distinct IP anomaly.

Three drill holes have been completed at Cima Blanca with no significant results.

Porphyry Target:

Conceptual in nature, identification of an intrusion-related porphyry copper-gold target has been the main focus of exploration by predecessor exploration companies at Soledad. To date this has not been achieved, but drilling is insufficient in terms of depth and extent to completely discount the possibility. While the focus of Chakana’s exploration is the assessment of the economic potential of the breccia pipes, the porphyry potential remains intriguing.

Some positive indicators have been cited by Condor, including:

- Potassic alteration, notably in the deepest hole drilled to date (SDH-016) in the form of secondary biotite associated with magnetite, sericite and chalcopyrite;
- Networks of fracture controlled veinlets that are chlorite, pyrite ± quartz hosted in andesite at depth in SDH-016; and
- The likelihood that an intrusive body of monzonite and/or diorite underlies the Soledad Project at depth, and where exposed to the southeast near the Aija River is marked by quartz-tourmaline as well as phyllic alteration.

Early IP surveys suggest a large chargeability feature may be present at depth. The current Soledad Project does not include the full extent covered by earlier surveys.

Deposit Types

Mineralization found at Soledad is hosted in near-vertical pipe-like breccias of magmatic-hydrothermal origins. The metal association is gold-copper-silver with lesser amounts of zinc and arsenic with lesser but locally important tungsten and molybdenum. Mineralization is hosted by breccias that are visually impressive with a quartz-tourmaline (Iron-magnesium – rich variety termed *schorl*) matrix. Quartz – tourmaline - sulphide may also replace the fragments of country-rock within the breccias and occur also as thin veinlets in the adjoining country rock. Sericite and silica is the dominant alteration of the surrounding country rock.

Quartz-tourmaline breccia pipes are known from Chile through Peru and Ecuador, as well as Mexico, Arizona, New Mexico and British Columbia. Conventional deposit models view these breccias to be related to porphyry copper-type deposits. Sillitoe and Sawkins (1971) provide a succinct description of these deposits: “*Individual pipes, which are circular to elliptical in plan, range from as little as 3 m to 1,200 m in diameter. The steeply dipping to vertical pipes contain angular to sub-rounded, and in some cases tabular, fragments of host rock, and are bounded along their margins by zones of well-developed vertical sheeting. The pipes appear to pass upwards into bodies of hydrothermally altered rock surrounded by sheeted contacts. Small bodies of fine-grained porphyritic felsic rock were intruded with close spatial and temporal relation to the brecciation*”. They also cite that “*fluid inclusion, mineralogic and stratigraphic evidence indicate that pipe genesis occurred at depths of approximately 2-3 km below the then-existing surface*”. They conclude that “*the pipes are interpreted as post-magmatic hydrothermal collapse breccias, formed as a result of the removal of rock by the corrosive action of hydrothermal fluids. 1926). The continuing upward passage of such fluids through these un-cemented columns of breccia resulted in the development of the replacement and open-space filling stages of mineralization*”.

Sillitoe and Sawkins also note: “Related to the groups of tourmaline breccia pipes are narrow replacement- and fissure-filling veins carrying tourmaline and quartz, with lesser quantities of pyrite, chalcopyrite, specular hematite,

argentiferous galena, calcite and barite. The veins have a tendency to be peripheral to the breccia pipe groups in some districts. The relative ages of the veins and breccia pipes are difficult to assess....”

Sillitoe and Sawkins offer several observations that are important considerations in exploration:

- The permeability of the breccia pipes at the time of sulfide deposition was apparently the principal factor controlling the degree of sulfide mineralization in the pipes. In most cases, the permeability was provided by the open spaces which still remained between the breccia fragments after tourmaline-quartz deposition. However, in some pipes the sulfides occur in the tourmaline cement, disseminated in porous fragments, or restricted to the sheeted contact zones. Hence, breccias which are highly silicified and tourmalinized in few instances contain large quantities of ore.
- Oxide copper minerals are scarce at the surface of the pipes, but the abundance of limonite is an indication of the abundance of sulfides at depth.
- Within the areas occupied by the tourmaline breccia pipe-groups, oval to circular areas of quartz-sericite alteration bounded by sheeted zones are interpreted as the uppermost parts of breccia pipes ... consequently drilling might locate normal mineralized breccia in depth.

The regional distribution of these breccia pipes suggests a spatial association with large intrusive bodies. In some instances there is a clear association with porphyry-type copper deposits, however in many others the regional patterns and ages suggest a separate event related to batholiths. The Donosco breccia is an example of a breccia pipe that is related to porphyry copper is the Rio Blanco-Los Bronces deposit in Chile. Skewes et al (2003) describe Donosco as follows: *The Donosco breccia is the youngest of seven major breccias at Los Bronces and has been an important center of mining activity since its discovery in 1864. Its age has been bracketed between 5.2 and 4.9 Ma). At the current surface, at approximately 3,670 m above sea level, it is elliptical in shape, with surface dimensions of 500 by 700 m, elongated along the same northwest-southeast direction as the other six breccia bodies at Los Bronces. This breccia has a known vertical extent of at least 800 m between its highest outcrop at 3,900 m above sea level and the deepest drill holes, which penetrate the pipe to 3,100 m above sea level. At depth it has the shape of an inverted cone. Its roots have yet to be found, and it is still >300 m in diameter at its greatest explored depth. In its upper explored part alone, this single breccia pipe has >2,000,000 t [of] copper with ore grades of >0.45% Cu, as well as average concentrations of 0.008% Mo and 4 ppm of Ag.*

The author of the Technical Report was unable to verify the information on the Donosco breccia and Los Bronces quoted herein and this information is not necessarily indicative of the mineralization on the Soledad Project that is the subject of this technical report.

The observations of Sillitoe and Sawkins apply to Soledad and the Aija District in general. The size, distribution and extent of the pipes couple with the attractive copper, gold and silver grades make the breccia pipes an attractive exploration target. At the same time the possibility exists they are related to a porphyry deposit, and the exploration group at Remo will need to prepare for this possibility.

Unlike diatreme breccias, magmatic-hydrothermal tourmaline breccia pipes do not erupt at the surface. This produces a different geometry. Whereas diatremes have an outward flaring geometry near surface that tapers with depth, tourmaline breccia pipes have a more conical shape that can increase in diameter with depth.

A high sulphidation (“HS”) precious metal target also occurs at Soledad. This is an epithermal (“low temperature”) style of mineralization also often referred to as acid-sulphate type. HS targets are of interest for Au, Ag, and Cu, such as Yanococha or the nearby Pierina deposits. HS mineralization may occur as veins, breccias and sulphide-rich replacements ranging from pods to massive lenses. The host rocks are highly altered with minerals such as feldspar destroyed leaving a porous rock marked by fine-grained silica (quartz), alunite and clay minerals that range from kaolinite to dickite. The leached feldspar cavities are lined with crusts of crystalline (vuggy) quartz. Advanced argillic alteration is characteristic and can be aerially extensive and visually prominent, extending beyond the zones of vuggy silica and mineralization

In the Aija district, south and east of the Soledad Project, mineralization occurs as veins and rarely breccia pipes. The veins are steeply dipping quartz-base metal sulphide lodes that are hosted in shears and associated fracture zones. Veins are not oxidized and are typically pyrite and arsenopyrite-bearing with significant silver-lead-zinc sulphide and sulphosalt minerals (usually copper, lead, silver, and iron combined with semi-metal elements such as arsenic and antimony and sulphur) and gold, have quartz-rich margins and massive sulphide cores.

In Perú exploration is guided by the concept of elevation and the vertical zonation of mineralization. The style of alteration and mineralization observed at the highest elevations on a property serves as a guide to the level of erosion and the potential at depth. The range in elevation from the top of mineralized high sulphidation target at the Soledad Project to the lowest observed breccia mineralization is approximately 700 metres.

Exploration

A review of the previous exploration at Soledad by Rio, Mariana, Casapalca and Condor is summarized above under “History”.

Exploration by Chakana includes drilling; geophysical surveys and a related review of previous surveys by consultants, mineralogical studies, compilation of historic drilling results and modelling using Map Info, ArcGIS and Surpac software.

Data re-acquisition- Chakana has obtained copies of drill logs and assays, geological maps, survey data and rock-sampling from previous exploration companies, verified their origins and accuracy and created a master database that can be used in contemporary software. The author of the Technical Report has used Chakana’s records extensively, cross-checked against materials sourced from Condor.

Modelling- consultants have been engaged to validate the database and import it into Surpac, a popular software used for geological modeling and mine-planning. This work has created a model that includes drill and surface data, geology, IP survey anomalies and topography. The model is being used for exploration planning in anticipation of resource modelling. A series of drillholes have been planned that will cross the breccia targets from edge-to-edge creating a series of horizontally stacked slices that will provide reliable information on metal distribution, zonation and pipe geometries.

Mineralogy- previous exploration at Soledad has not examined the mineralogy and grain relations of the sulphide mineralization, while alteration mineralogy has not been quantified using drill core. The magnitude of this part of the mineralogical studies involved eight polished thin sections from drill-holes SDH-001, 003, 007, 009, 012 and 016 (Shannon, J.R., 2017). A summary of his observations include:

- Gangue minerals in the breccias are quartz, tourmaline and minor carbonate (possible dolomite);
- Non-sulphide minerals observed are minor to trace rutile, ilmenite and magnetite
- Sulphide minerals in the breccia samples include
 - Pyrite, early phase, coarse grained, anhedral grains possibly zoned (10-40%)
 - Minor arsenopyrite, crystalline, may replace (in part) pyrite;
 - Chalcopyrite, late in mineralization sequence, may replace pyrite but over-all a separate phase. It may have traces of other copper minerals, notably digenite and covellite, as inclusions;
 - Sphalerite as minor sulphide associated with domains of covellite-digenite mineralization
- Gold (electrum) and native silver occur as free 20 to 80 micron-sized grains in contact with pyrite and quartz
- Andesite (country rock) is strongly fractured but with relatively simple pyrite, trace chalcopyrite mineralization
- Samples collected deep in drill hole SDH-016 (635 and 933 metres) show evidence of contact metamorphism and alteration. The sample from 635 m is biotite hornfels cut by narrow quartz-sulphide

veinlets. The veinlets have sericite margins. The sample taken at 933 m is clinopyroxene-magnetite endoskarn with traces of pyrrhotite, chalcopyrite, and minor epidote and chlorite.

Important leads gained from this work include:

- 1) Gold grains are relatively coarse, not encapsulated and not necessarily associated with arsenopyrite but with chalcopyrite-quartz;
- 2) Grain sizes are relatively coarse;
- 3) Fractured and mineralized country-rock is mineralogically simple; and
- 4) There is evidence of a heat source at depth that has resulted in hornfels, possibly endoskarn, but is cut by later quartz-sericite-sulphide veinlets (lending support to previous workers speculation that a concealed porphyry system occurs at depth).

Though not comprehensive and therefore preliminary in nature the mineralogical studies will aid designing initial metallurgical programmes as well as exploration.

Through ALS, Chakana also engaged TerraCore (www.terracoregeo.com) to complete hyperspectral scanning on 1000 metres of core. The scanning was done utilizing a “sisuROCK” workstation utilizing three camera configurations providing a full wavelength analysis (visible and near-infrared (“VNIR”) - Short-wavelength infrared (“SWIR”) - Long wavelength infrared (“LWIR”) - Visible or Red-Green-Blue (“RGB”) system based at ALS Lima. The primary aim was to determine the applicability of hyperspectral core imaging as an aid to identification and mapping of hydrothermal alteration, which will then assist in defining alteration assemblages and so be useful in future exploration drilling at Soledad.

Mineralogical studies using hyperspectral techniques represent a state-of-the-art approach to mapping hydrothermal alteration. Conventional optical mineralogy techniques often have difficulty determining clay and mica species and these minerals are often ‘lumped’ under terms such as “sericite”, “clay” or “white mica”. Hyperspectral scanning provides a rapid and accurate approach to quantifying the mineralogy, information that is useful to both geologists and metallurgists.

The magnitude of this part of the mineralogical studies involved 373 boxes from 4 drill-holes totaling 1000 metres (Linton, P.; 2017). Acquisition took place during June 2017. Intervals submitted include:

Borehole ID	From	To	Interval	# Boxes
SDH-12	80.75	162.45	81.7	30
SDH-14	9.3	167.75	158.45	57
SDH-15	11.1	268.05	256.95	94
SDH-16	9.25	512.15	502.9	182

A wide range of minerals were identified, the most important in terms of distribution are tourmaline, muscovite or sericite, illite, “gypsum”, montmorillonite, kaolinite, chlorite, quartz and orthoclase. Minor minerals include epidote, amphibole, carbonate, gibbsite, albite, microcline and biotite.

A summary of key results includes:

In SDH-012 the spectral responses are dominated by “gypsum”, tourmaline, muscovite, and quartz. The first box imaged (box 82) has chlorite and albite, and is distinctly different from the remainder of the hole which is entirely consistent with logging. Tourmaline and muscovite display typical spectral responses. In general, the interval imaged consists of tourmaline-rich zones (invariably breccias) intercalated with muscovite rich zones. “Gypsum” becomes more prevalent from 108m to the end of the hole. Quartz is almost ubiquitous.

In SDH-014 spectral responses are dominated by tourmaline, quartz and muscovite however there are distinct mineralogical differences to the other tourmaline breccia holes (12 and 16). “Gypsum” is less prevalent than in hole 12, Illite is more common than in hole 12 (where it is rare); kaolinite is present (absent in the other holes), carbonate (ankerite) is present as opposed to hole 12 where it is absent, and is compositionally different to hole 16 where it is calcite. Tourmaline is invariably a unique variation (Al-rich species) than mapped elsewhere. Tourmaline breccia zones are intercalated with muscovite-rich zones; in this hole the interval from 9-48m has intense tourmalinization. Quartz is ubiquitous.

In SDH-15, a hole drilled to test a high sulphidation target (Cima Blanca), and as expected the spectral mineralogy was completely different to the other three holes. However, the predominance of illite and Al-smectite (montmorillonite) suggests more of an intermediate sulphidation environment, with only kaolinite suggesting acidic conditions. The only mineral typical of acidic alteration (though notably rare in high sulphidation (“HS”) environments) is gibbsite, and the absence of alunite and dickite mitigates against this hole having drilled an HS system. These minerals are so spectrally distinct, and responsive, that they would have been identified if present in any substantial amount.

In SDH-16 both tourmaline types were recognized as well as illite and Al-smectite (montmorillonite), fine-grained ferroan calcite, and a high proportion of chlorite which occurs with muscovite, tourmaline, chlorite and illite. As in hole 14, zones of intense tourmalinization occur, between 48 and 87 metres and again from 258-490 metres. Quartz is again ubiquitous.

Consistent with logging, a distinct change in spectral mineralogy occurs from 490 metres to the end of the hole which corresponds to the putative porphyry-style alteration that has been logged. Orthoclase occurs with quartz in this zone, perhaps representing potassic alteration.

The results are interesting. The presence of a unique tourmaline composition is taken to represent a compositional change. It is present only in holes 14 and 16, and absent from hole 12 and so suggests that there are subtle differences between the breccia pipes in terms of alteration (which is backed up by variations in overall spectral mineralogy). Variations in the proportion of tourmaline, muscovite, illite and chlorite within the breccia pipes indicate varying alteration intensity and/or changes in protolith. Hole 16 has elevated illite and chlorite, as well as Al-smectite, perhaps suggesting less intense alteration relative to holes 12 and 14 or a different host rock, again this suggests variations in alteration between the breccia pipes.

The mineralogy in drillhole 15 is indicative of an intermediate, as opposed to high, sulphidation environment with implications for mineralisation. Variations in Al-phyllsilicate chemistry from Al-smectite to illite, and the presence of more acidic phases (kaolinite and gibbsite) may provide the means to define the structural and hydrothermal architecture of the system. The mineralogy is consistent with an epithermal environment however.

The hyperspectral work is a useful, state-of-the-art initiative that is a potentially invaluable tool in unraveling large alteration zones in complex hydrothermal systems, identifying many fluid and temperature patterns that are not readily apparent to a geologist’s hand lens.

Geophysics – Chakana engaged AussieCan Geoscience Inc. (“AGI”) to complete a desktop study and provide an evaluation of results of available IP/resistivity and ground magnetic surveys over the Soledad Project (Hughes, N.A.; 2017). Focus for the review was weighted almost exclusively to geophysical data acquired in 2012, 2014 and 2015 by Val D’Or Geofisca.

In an attempt to domain the magnetic responses the profile data has been filtered to remove very high frequency responses indicative of near surface and localised responses from those that may be sourced deeper or having a larger footprint. Raw and filtered data was transformed via the analytic signal process which highlights zones of magnetism as highs or peaks, regardless of magnetic inclination or remanence effects, at the expense of losing geometry information as well as subduing response from deeper sources. As a result, there does not appear to be an obvious magnetic signature associated with the mapped breccias or to mapped structures or geology.

AGI imported all the raw data IP and resistivity data into the TQIPdb IP/Resistivity data management program (software by SciComApp) to verify data quality and then undertook a 3D inversion of all the data using AGI's own data quality criteria, and then recovered a similar model suite as supplied by VDG.

AGI expressed concern with the wide spacing of survey lines since anomalous features at depth suffer a significant loss of sensitivity with depth or distance from the measurement array.

Never-the-less AGI highlights several features including

- 1) Bx6 appears to be associated with a deep seated resistivity low feature whereas for Bx1 the most obvious part is depth limited. There does appear to be more subtle resistivity contrast that may be of importance (Figures A and B below);
- 2) Survey coverage of the zone between breccia 5 and 6 appears suitable to image features of interest to depths of hundreds of meters. On Figure B the iso-surfaces of the 100, 150, 200 and 300 ohm-m from the recovered 3D resistivity model are shown together with iso-surfaces of sensitivity. A steeply oriented resistivity low is noted to the centre of the survey section. The geometry and extent of the deeper portion of the low needs to be treated with caution.
- 3) Many of the mapped breccia zones appear to have a low resistivity expression. A continuous low resistivity trend extends to depth from breccia 4 to breccia 6. The resistivity low zone near breccia 6 appears to extend to significant depth as a confined feature. There is no associated deep chargeability zone (Figure C below)
- 4) A south to north section view through the Bx5 to Bx6 easting show chargeability and resistivity appear decoupled. Also shown is Cu assays from drilling with maximum in colour range and disk size assigned at 1%. Given the low recovered resistivity associated with the Bx6 zone one expects mineralisation to be connected and as such offer opportunity to detect more massive or connected zones with EM techniques (figure D below)

Figure A: Recovered IP/Resistivity Model Section 217725E. BX5 - BX6 Zone

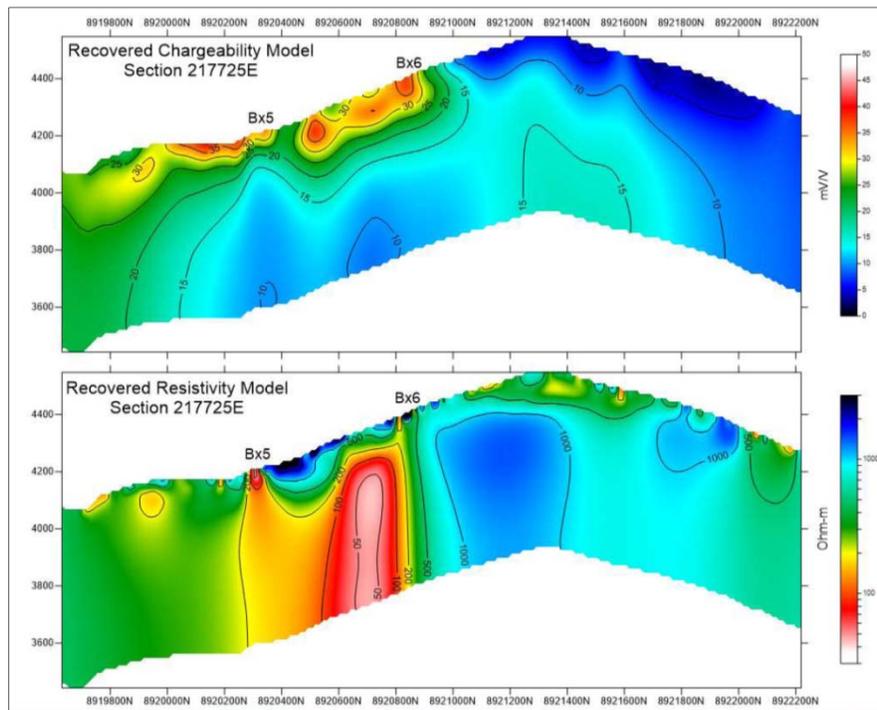


Figure B: Recovered IP/Resistivity Model Section 218525E. BX1 Zone

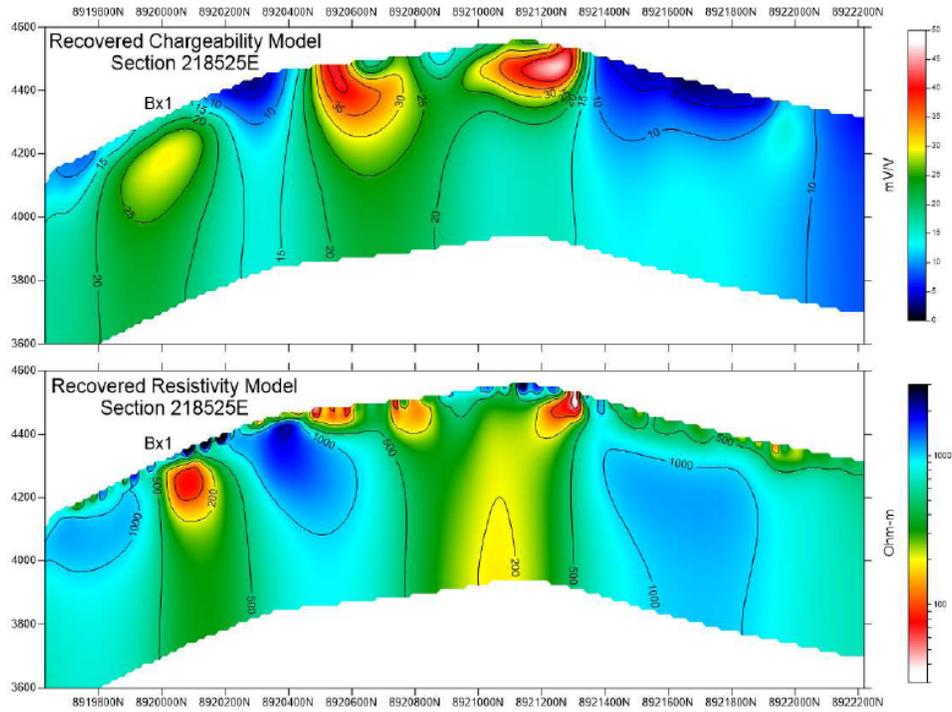


Figure C: 3D resistivity model sensitivity along section 217700E

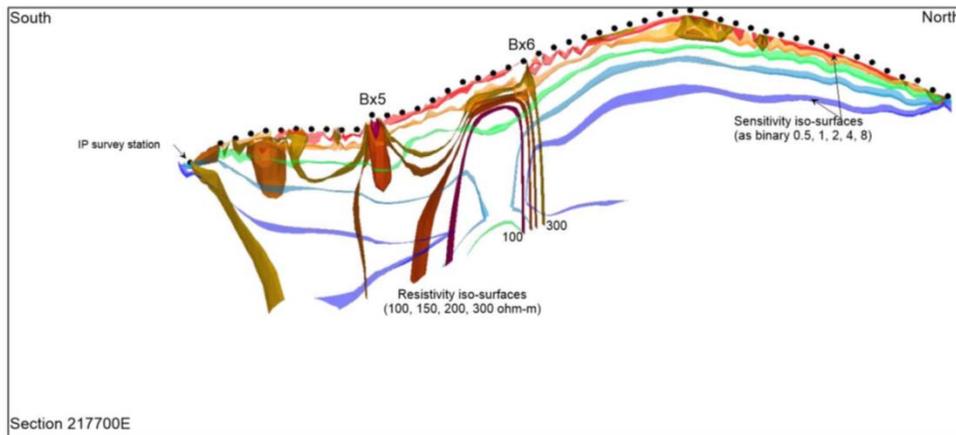
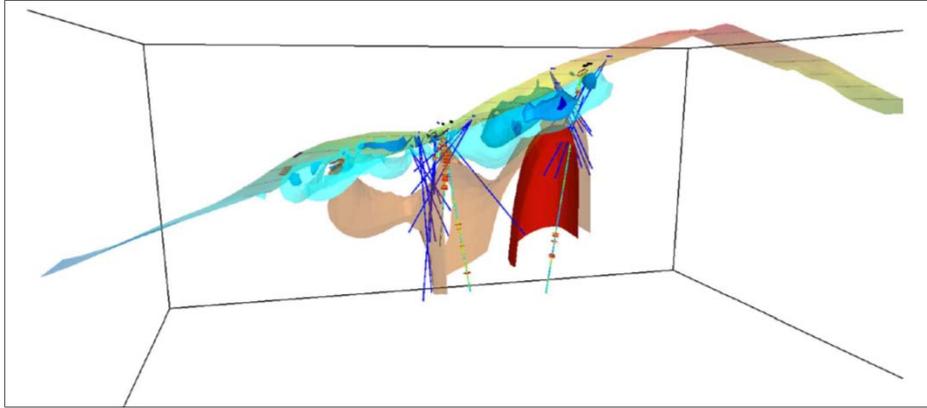
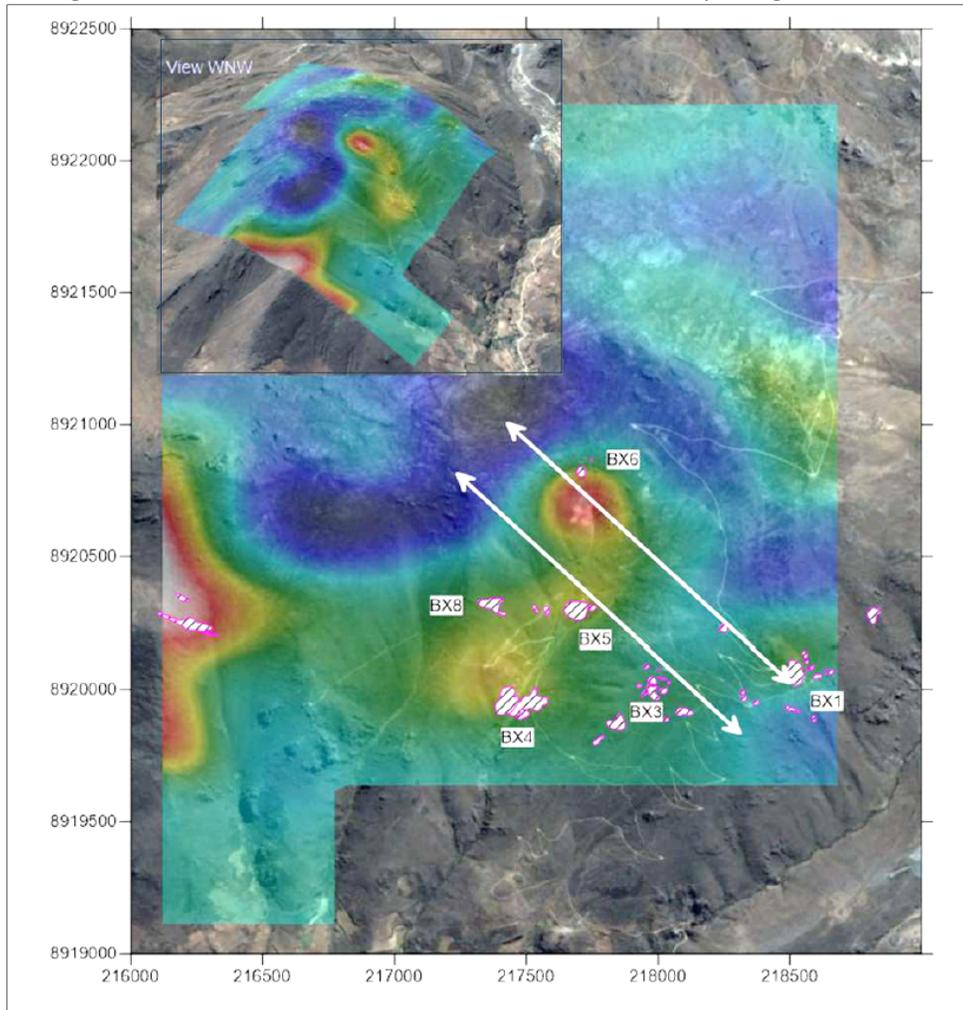


Figure D: South to north section through Bx5 / Bx6



AGI noted that IP and resistivity surveys over the Soledad project area appear to map known breccia zones as local relative resistivity lows, and that there is a poorly tested deep resistivity zone that extends from breccia zone 4 to breccia zone 6 that warrants further work. It recommended surface electromagnetic (“EM”) and Natural Source Audio-frequency Magneto-Telluric (“NSAMT”) surveys across this zone as it is better at detecting and distinguish zones of massive or connected sulphides over resistivity methods. It was suggested that a trial fixed loop EM and NSAMT surveys be done along 2 lines in a NW orientation as indicated in Figure E below.

Figure E: AGI’s recommended area and orientation survey using EM/NSAMT



Between June 28 and July 9, 2017 Southern Rock Geophysics carried out Fixed-loop Transient EM (“FL-TEM”) & Controlled (“CSAMT”) and Natural Source Audio-frequency Magneto-Telluric surveys at Soledad (Barrett, 2017). Survey parameters followed those recommended by AGI, but with expanded coverage, such that the CSAMT survey was done along eight 135° -oriented survey lines, variably spaced at 100 or 150m.

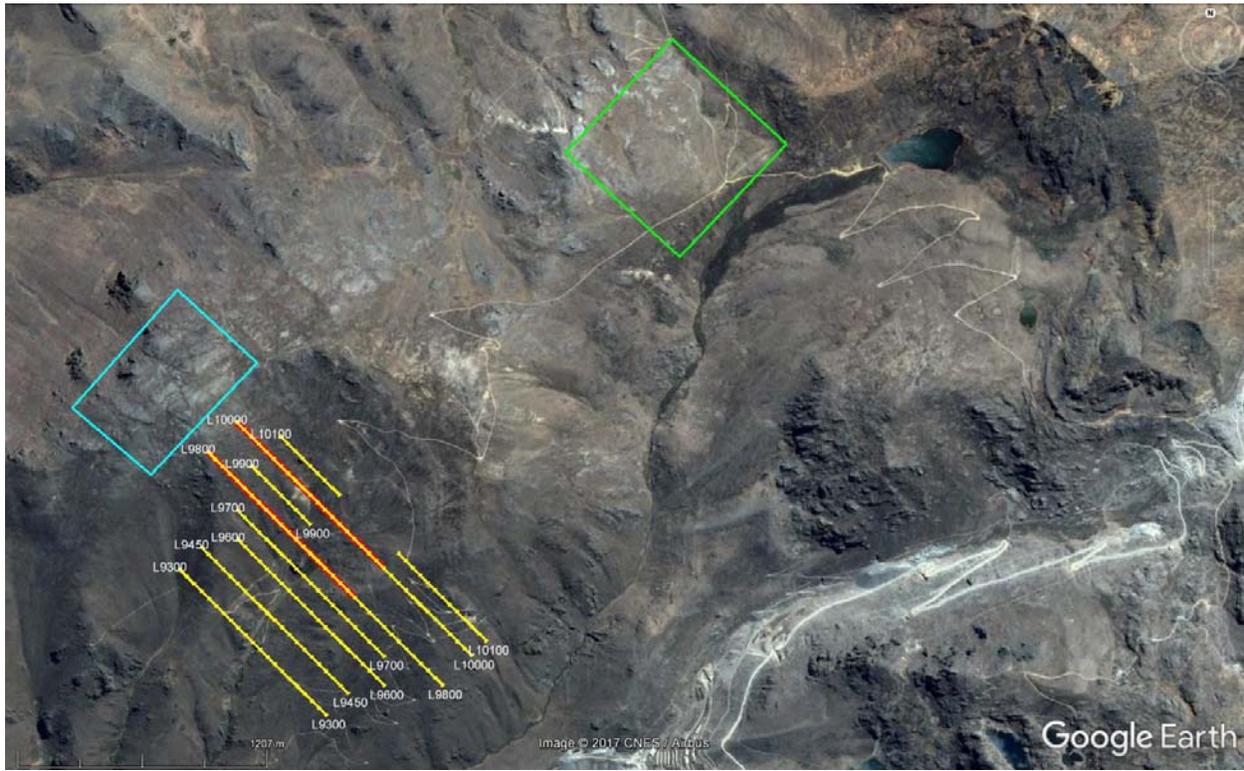
Equipment used included:

Geophysical Instrumentation		
Amount	Instrument	Make / Model
4	DAS geophysical receivers, and current monitor	gDAS-24 , see www.adgeotec.cl for technical specs
1	Geophysical receiver	GDP-32 ^{II} , see www.zonge.us for technical specs
1	Geophysical transmitter	ZT-30 /100 transmitter and XMT-32s controller, see www.zonge.us for technical specs
1	Magnetic coil	Ant-6 Magnetic antenna, see www.zonge.us for technical specs
3	Magnetic coil	TEM/3 Magnetic antenna, see www.zonge.us for technical specs
	Ancillary equipment for FL-TEM, CS- and NS-AMT surveying	
	Laptop computer, digital media, data transmission and communication equipment	

The FL-TEM survey included acquisition and data processing of 2km of 50m station interval three data while the CS/NS-AMT survey included acquisition of 8.6km of 50m E-field dipole Scalar at 100m or 150m intervals. The area covered is approximately 700 by 800 m in size.

Figure F: Grid location map

(FL-TEM survey lines in red, the FL-TEM transmitter loop in cyan, the CS-NSAMT survey lines in yellow, and the CSAMT transmitter loop in green). North at top of image).



Transient Electromagnetics (TEM), also referred to as Time Domain EM (TDEM), is an electromagnetic geophysical method which utilizes a controlled inductive source to generate diffusion and/or eddy currents in the subsurface whose secondary magnetic field response (measured as a decay over time) provides information regarding the geo-electrical structure through models of the propagation and decay of the fields. Resistivity (or its inverse, conductivity) of a rock is dominantly controlled by the porosity / permeability, saturation and salinity of the pore fluids. Metallic mineralization in a given lithology will generally lower its resistivity, particularly if it forms stringers or is (semi-) massive.

Magneto-Tellurics (MT) is an electromagnetic survey method that provides information with respect to the spatial distribution of resistivity in the subsurface through measurement of coherent electric and magnetic field variations. Data may be interpreted to provide relatively detailed images of the resistivity to great depth, this depth being controlled primarily by resistivity structure and the acquired range of frequencies. CSAMT relies on the measurement of electromagnetic fields generated by a controlled transmitted signal, usually through a grounded transmitter dipole or ungrounded loop. NSAMT relies on the measurement of electromagnetic fields generated by natural occurrences (atmospherics, electrical storm activity etc.). Factors that result in a reduction in resistivity are the presence of (saline) pore-fluids in rocks with increased porosity and permeability, the presence of clays, and in some instances the presence of metallic mineralization. The survey equipment is capable of performing in CSAMT and NSAMT in sequence.

The surveys found the grid area to have generally elevated resistivity which resulted in the secondary response decaying into ambient noise levels at relatively early times. Acquisition of the TEM data was ended before the portion of the survey was completed in favor of furthering the CS-NSAMT survey which provided more compelling results.

The inversion model results of the CS-NSAMT data provided the location of sub-vertical conductive zones that appear to be coincident with known breccia occurrences, but also identify similar responses that might be extensions, as well as separate, new targets. All were considered worthy of follow-up (Barrett, 2017). Results of 1D

and 2D inversion modelling for the combined Controlled and Natural Source Audio-frequency Magneto-Telluric (CS-NSAMT) dataset were reported by Barrett to provide “reasonably robust” imaging of the resistivity variations in the surveyed area to depths of over 1000m with a resolution commensurate with the dipole length and line spacing and the inherent reduction in resolution with increasing depth of burial. The CSAMT dataset was considered to provide a more robust definition of the apparent resistivity and impedance phase than the NSAMT data primarily due to larger signal to noise ratios, but also due to the former technique’s polarized source field.

The CS- and NSAMT datasets were combined with due consideration to this, favouring the CSAMT over the NSAMT data where discrepancies exist. Static offset in the apparent resistivity between the CS- and NSAMT data is observed at some stations. In these cases, the NSAMT apparent resistivity data was manually offset to coincide with the CSAMT response. The map below at Figure “G” indicates significant anomalies.

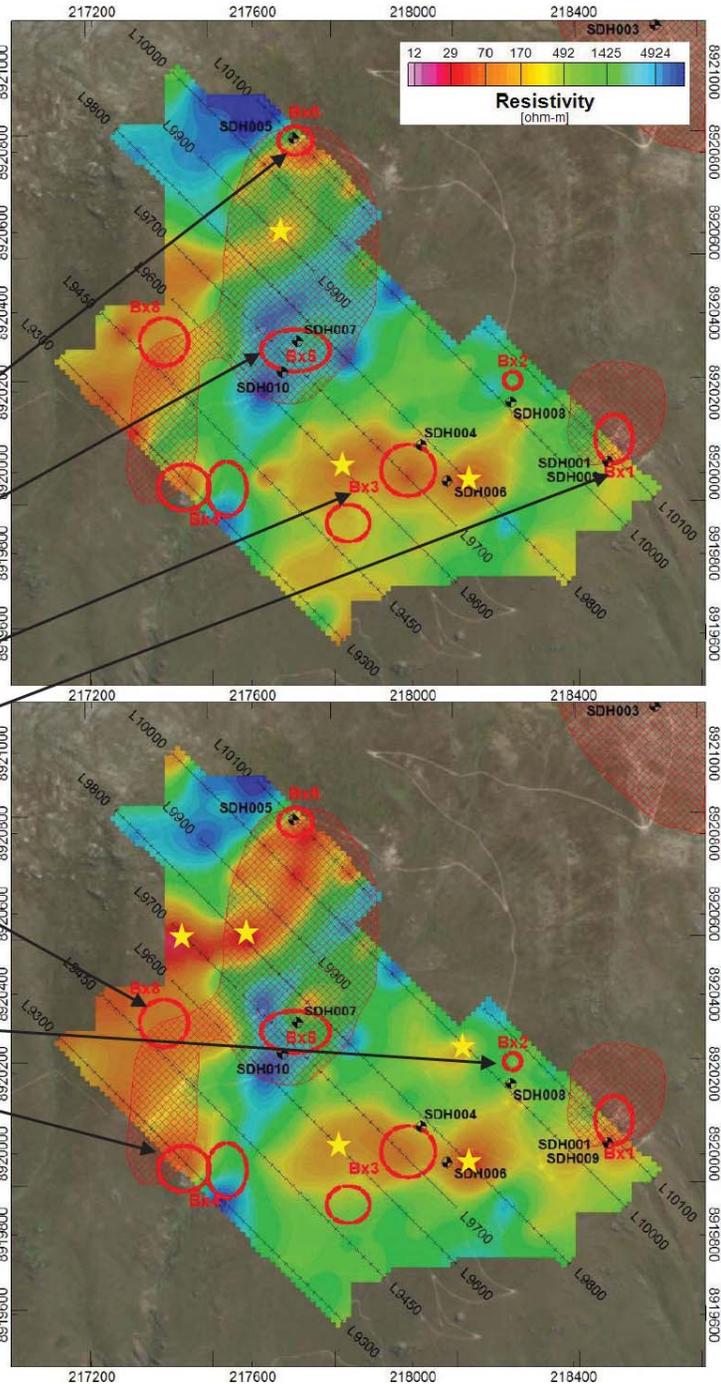
Figure G: Plan View of CS-AMT Anomalies
(extracted from Barrett (2017), page 16)

The following figures summarizes the results as a 200m (upper panel) and 300m (lower panel) depth slice of the 1D inversion model of the combined CS/NSAMT surveys data.

Soledad, 2017 CSAMT survey, 1D inversion model resistivity at 200m depth (colour raster), with <150Ωm resistivity low from the 2012-2014 IP/Resistivity Surveys (red hatch), breccia occurrences (red dash circles) and drill hole collars (black quartered symbols). N.B. breccias located approximately from images provided by Chakana.

Discrete conductor coincident with breccia occurrences

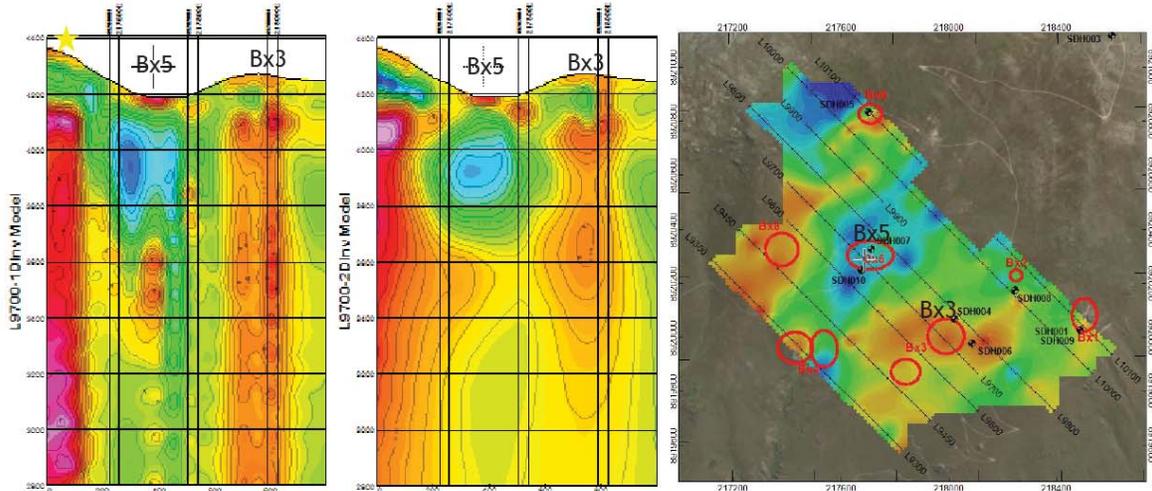
- **Bx6**, drill tested SDH005, anomalous Au-Ag reported
 - **Bx5**, drill tested SDH007 / 10, response perhaps diluted by more resistive host. Significant Au-Ag min
 - **Bx3**, near east-west conductor across 3 lines, up to 4 g/t Au.
 - **Bx1**, discrete conductor at southern contact, up to 13g/t Au
 - **Bx8**, within northeast trending conductive zone though no discrete response
 - **Bx2**, lies between lines, narrow discrete conductor on line to the south
 - **Bx4**, discrete conductor on survey line, eastern extent between lines
- ★ potential target with similar conductivity characteristics to known mineralized breccias



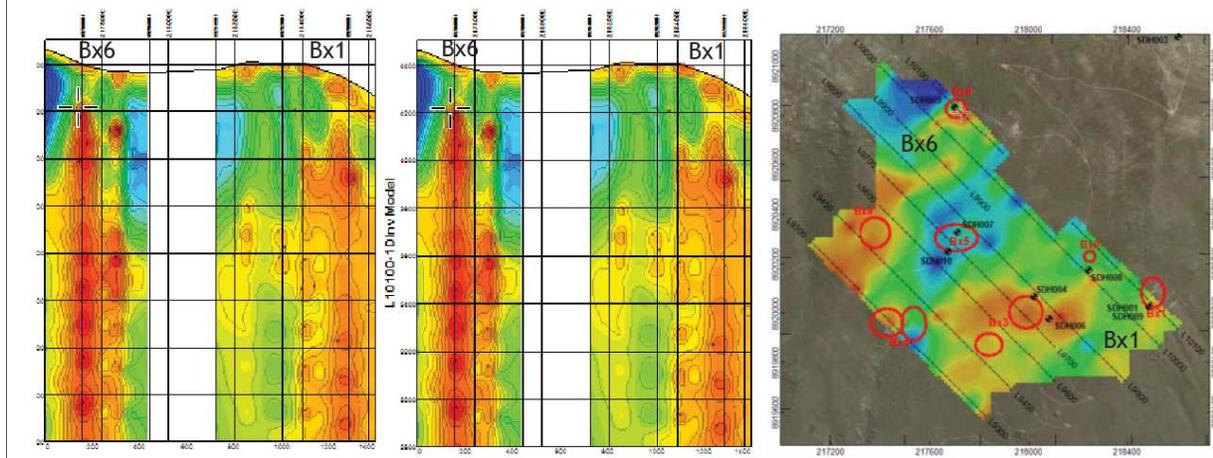
Following is a sample of two sections displaying the results of inversion models for Bx1, 3, 5 and 6.

Two Sections - CS-AMT Inversions
(extracted from Barrett (2017), page 17)

Line 9700, 1D (left), & 2D (middle) inversion model resistivity sections and at 200m depth slice (right), breccia occurrences (red circles) and drill hole collars (black quartered symbols). Breccia 3 and 5 located on section and in plan map.



Line 9700, 1D (left), & 2D (middle) inversion model resistivity sections and at 200m depth slice (right), breccia occurrences (red dash circles) and drill hole collars (black quartered symbols). Breccia 1 and 6 located on section and in plan map



Supporting Activities - Chakana has engaged consultants and advisors to facilitate meetings with local stakeholders, maintain permits and prepare new ones, initiate supporting studies and reports and have paid annual taxes on the concessions and lease payments owing under the surface access agreements. Chakana has also acquired office space in Lima, hired staff (including geologists), leased field vehicles and equipment.

Core facility- Chakana has collected and catalogued core and laboratory pulp and rejects from previous exploration companies and placed them into a logging facility in Lima.

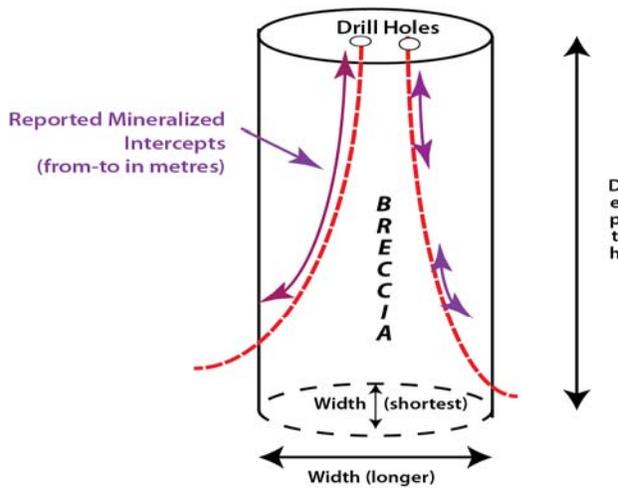
Drilling

Chakana commenced a core drilling programme in mid-August 2017 using a track-mounted Sandvik DE710 drill rig crewed by AK Drilling International S.A. The initial contract calls for up to 6,592 metres of H-diameter core. As of the effective date results have been received for the first five holes. Others are either in progress or results are pending. All drilling is on BX#1.

The drilling pattern is similar to the ring-drilling frequently encountered in underground mining operations, with holes systematically drilling outwards at various azimuths and dips from a location near the centre of the pipe. The drill-hole locations are surveyed with a total-station differential GPS and holes are plugged.

Drilling by Chakana is designed to test the vertical, pipe-shaped target both to depth and across its widths. Reported intervals are not “true widths” but are instead an indication of the depths that mineralization of note has been encountered, in a target-type where the depths are much greater than the widths. Differing styles of breccia and mineralization maybe stacked vertically within Bx#1 and as such “true widths” or “true thicknesses are not known until further drilling and modelling is completed.

GRADE - WIDTH RELATIONSHIPS FOR REPORTING DRILL RESULTS



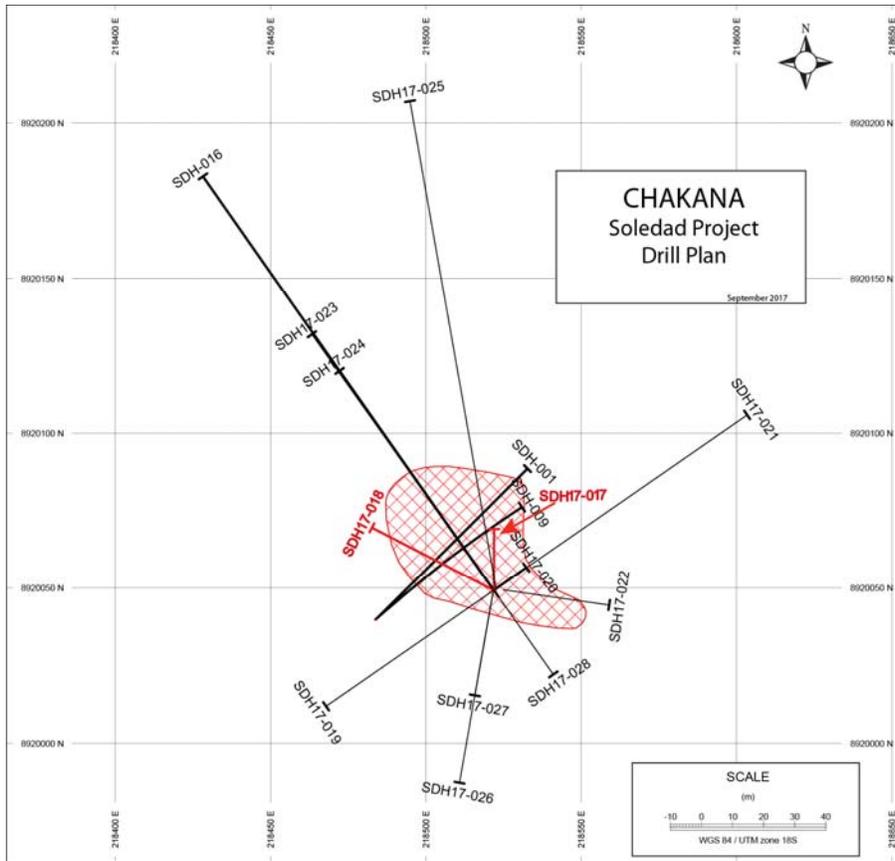
Reported Mineralized Intercepts are not true widths in the conventional sense but are rather an indication of the various depths within the breccia pipes where significant mineralization was encountered.

Initial drilling by Chakana suggests that mineralization may occur throughout the vertical extent or depth of a pipe, but grades and differing styles of mineralization may be stacked as horizontal layers.

Chakana Drill-hole Locations
(as at August 24, 2017)

DDH #	UTM Co-ordinates (Interim)		Altitude (m)	Az	Dip	Length (m)
SDH17-017	8920049 S	218522 E	4349	360 ⁰	-85 ⁰	282.9
SDH17-018	8920049 S	218522 E	4349	297 ⁰	-81.5 ⁰	300.8
SDH17-019	8920049 S	218522 E	4349	235 ⁰	-77.2 ⁰	297.5
SDH17-020	8920049 S	218522 E	4349	54.9 ⁰	-86.8 ⁰	216.7
SDH17-021	8920049 S	218522 E	4349	55.2 ⁰	-59.9 ⁰	196.9

Drill-hole Location Map & Section, Bx#1



Chakana, Summary of Drill Intersections
(as of the effective date)

DDH #	From ... to (m)		Core length (m)	Au g/t	Ag g/t	% Cu
SDH17-017	0	146.6	146.6	2.51	48.6	0.77
including	0	44.0	44.0	3.92	29.6	-
including	44	146.0	102.6	1.91	56.8	1.1
SDH17-018	0	209.0	209.0	2.22	69.6	0.96
including	0	40.0	40.0	4.21	18.6	-
including	40	114.0	74.0	3.31	65.5	1.11
including	145	209.0	64.0	0.72	139.1	1.84
SDH17-019	0	21	21.0	4.06	24.4	-
and	87.0	124.0	37.0	0.80	136.1	2.20
and	205.0	230.25	25.25	1.72	221.4	1.64
SDH17-020	0	113.0	113.0	3.58	51.5	1.17
including	0	43.0	43.0	4.11	31.8	-
including	43.0	113.0	70.0	3.25	63.6	1.87
SDH17-021	0	36.8	36.8	4.42	23.2	-

Core is taken to a temporary logging facility on site, where it is logged, photographed, cut and sampled under the supervision of a senior geologist. Sample lengths are one metre. Samples for assay are taken by truck to the ALS facility in Lima while remaining core is stacked and transported in batches to a permanent core storage facility in Lima.

Core recovery is good. Results are reliable, particularly within the context of the mineralized host breccia where variability is expected across the width and depth of the target. True widths are not known but will become clear with additional drilling and a more advanced treatment of the assay data and geology in a resource model. All holes are drilled intentionally oblique to the plunge of the pipe.

Higher grade intervals within the lower grade intersections are likely the product of:

- (a) The uppermost 40 metres of both holes display a lack of copper and sulphur (see Figures H and I below) and high gold. It is possible this is due to near-surface oxidation, leaching of copper - bearing sulphide species. Gold may be residual in boxworks after copper minerals.
- (b) Mineralization below the possible zone of oxidation copper grades are strong, sulphur is greater than 10% (upper detection limit) and gold locally high. Mineralization is seen to be "protore" and reflect un-modified grades not influenced by secondary processes. Variability is a function of breccia textures, ratio of matrix to fragments and other factors.
- (c) Hole SDH17-019 is significant as it appears to intersect a second breccia zone from 88 to 230 metres that appears to be adjacent to BX#1. This second breccia is either a faulted offset of BX#1 or a new breccia pipe that does not extend to surface and is "blind".
- (d) Hole SDH17-021 was drilled at a shallow angle in order to locate an outer contact of the breccia pipe and may have stayed entirely within the possible zone of oxidation noted in (a) above.

Figure H- Strip Log Drill-hole SDH17-017

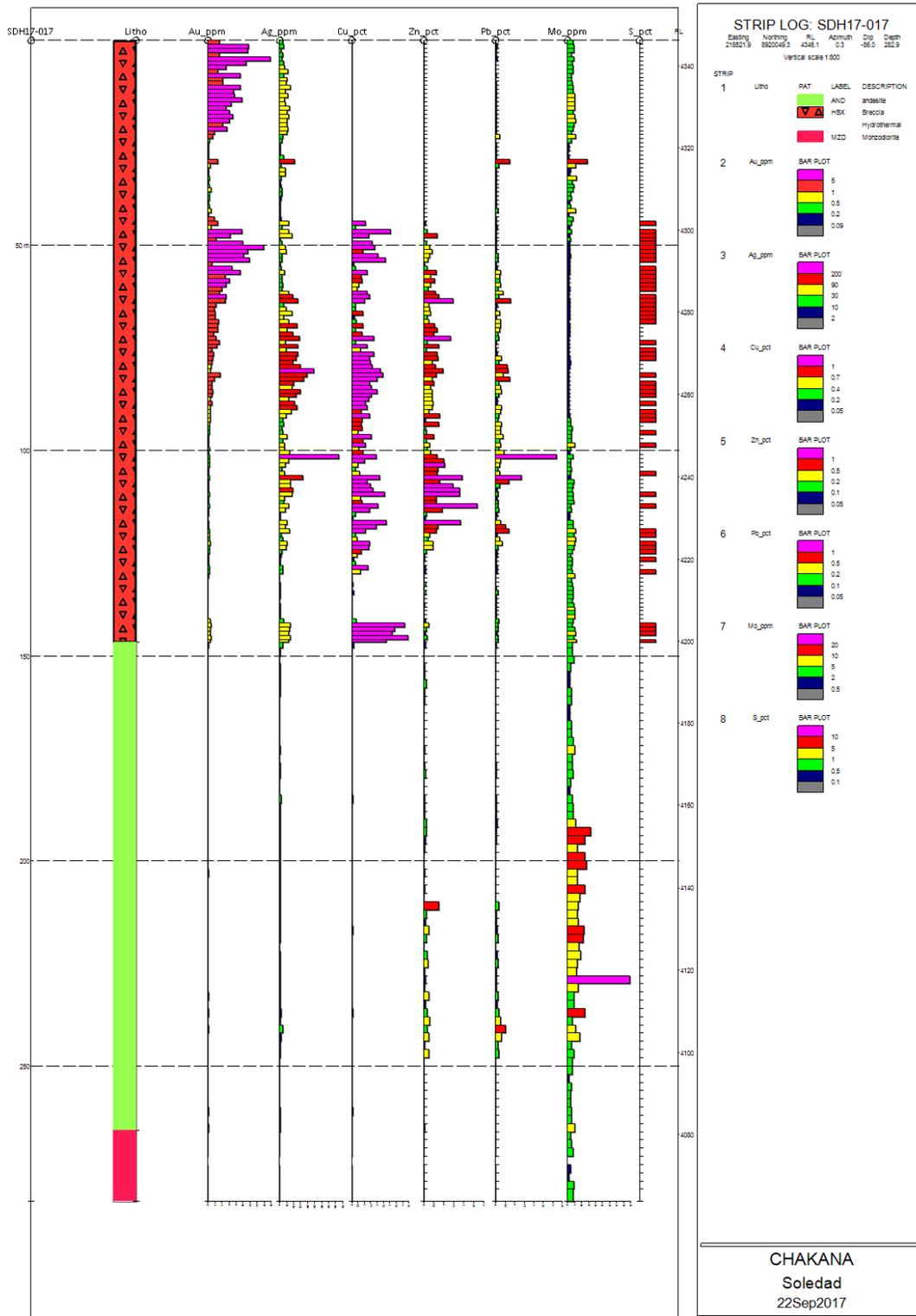


Figure I - Strip Log Drill-hole SDH17-018

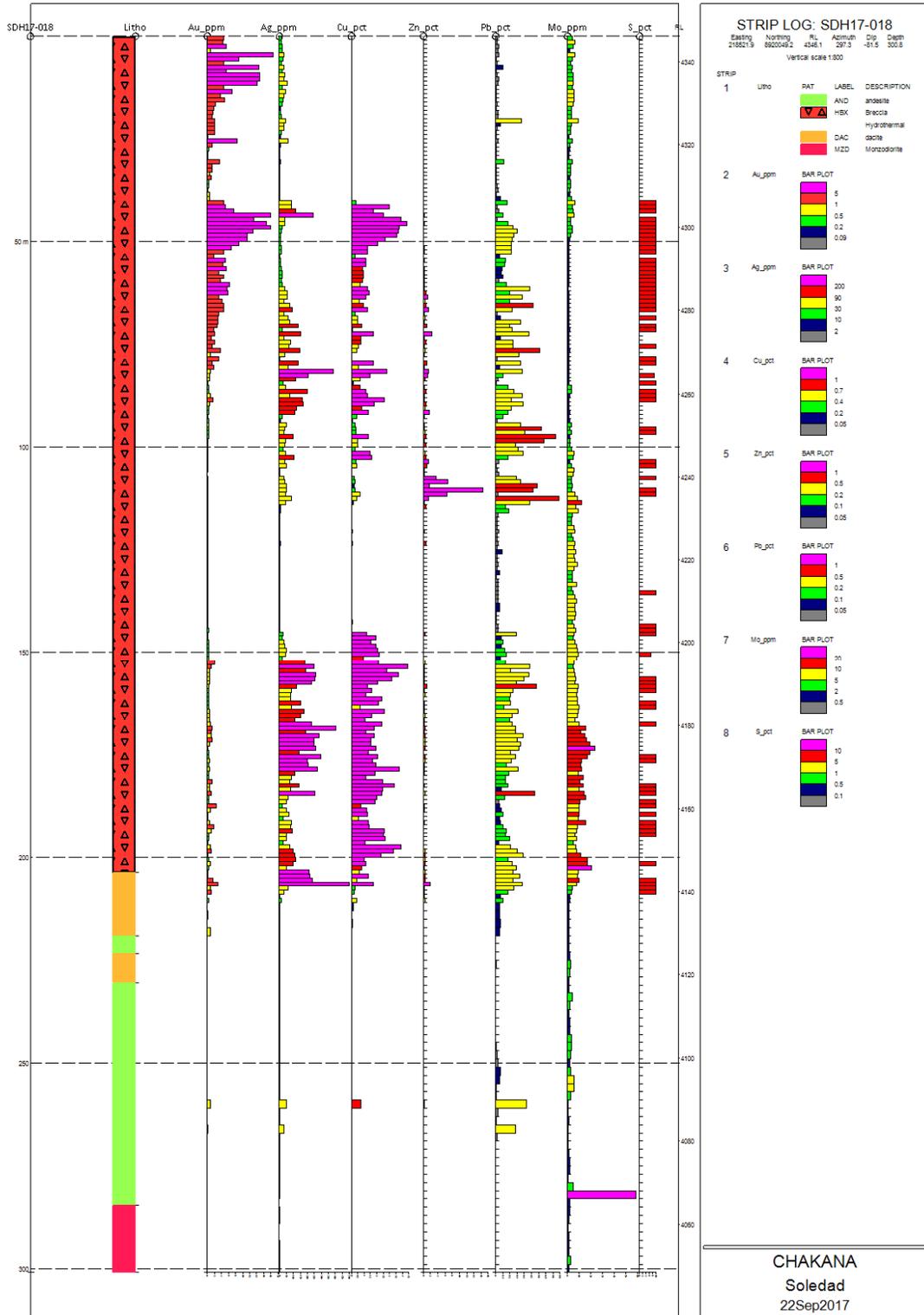
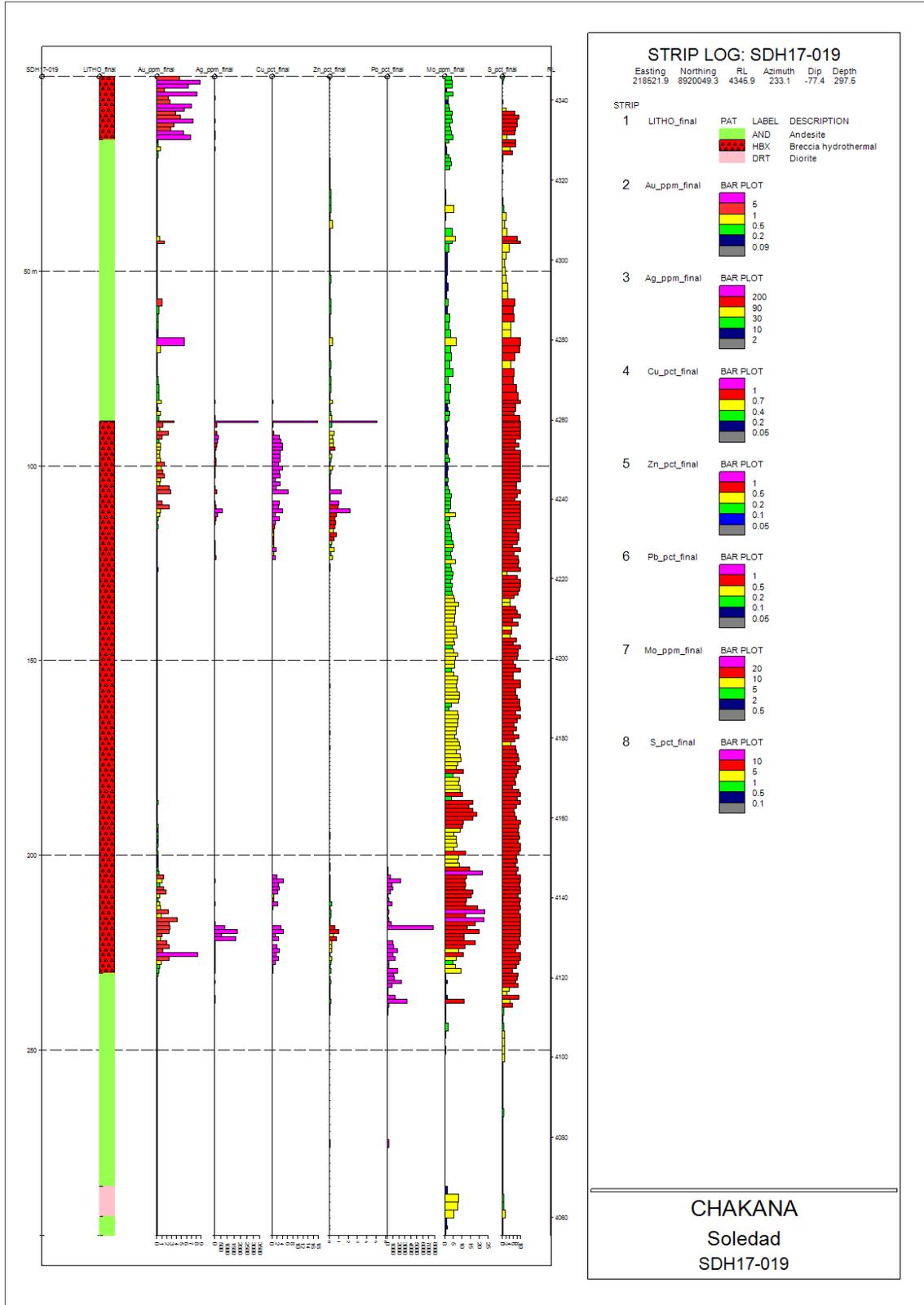


Figure J: Strip Log Drill-hole SDH17-019



Sampling Preparation, Analyses, and Security

During Condor's, Mariana's or Casapalca's exploration at Soledad there was no sample preparation carried out in the field. Sample handling protocols are not known in detail; all rock-chip and core samples were shipped by ground transportation to the respective analytical facility. The analytical facilities are arms-length from Chakana, Condor, Mariana and Rio (and their successor companies and affiliates). Analytical results were delivered electronically.

There is no information that suggests other than industry-standard sample security. Cores are stored in Lima and have been collected under one roof by Chakana, as well as all the laboratory pulps and rejects.

The author of the Technical Report has focused on the data and results for core drilling by Mariana and Casapalca since these drive interest in the Soledad Project. Rock sampling results are of interest but at this stage of exploration are secondary and less reliable than the results of drilling. The Soledad database includes 1,273 core samples analysed by Mariana and 2,230 by Casapalca. Recent drilling by Chakana adds another 758 samples to the number of core samples assayed or analysed.

Condor, Mariana, and Chakana submitted core and rock samples to ALS Peru S.A. (a division of ALS Minerals) in Callao, Lima Peru. At ALS the preparation protocol calls for samples to be individually weighed, dried then crushed with at least 70% of the sample passing through a <2mm sieve. This is followed by a split with part of the original sample being stored for future analyses and the remainder being pulverized with 85% of the sample being less than 75 um in particle size. A 0.5 g split of the pulp is processed using ALS analytical package ME-MS41 wherein the sample is digested with aqua regia in a graphite heating block. After cooling, the resulting solution is diluted to with deionized water, mixed and analyzed by inductively coupled plasma-atomic emission spectrometry and mass spectrometry. Following this analysis, the results are reviewed for high concentrations of bismuth, mercury, molybdenum which may cause spectral interferences. Elements reported include: mercury, indium, potassium, lanthanum, lithium, magnesium, manganese, molybdenum, sodium, niobium, nickel, phosphorus, lead, rubidium, rhenium, sulphur, antimony, scandium, selenium, tin, strontium, tantalum, tellurium, thorium, titanium, thallium, uranium, vanadium, tungsten, yttrium, zinc, and zirconium. ME-MS41 is considered a cost-effective approach to gathering geochemical information, but in the majority of natural, geological matrices, the data reported from an aqua regia leach should be considered as representing only the leachable portion. Also, the sample size is very small and gold tenor may not be accurately stated.

Of note the upper detection limit using ME-MS41 is 100 ppm for silver, 10,000 ppm for copper, zinc, arsenic and lead. Samples exceeding these concentrations were analysed again using OG46 for silver, copper, lead and zinc analysis using atomic absorption spectrometry ("AA") or Inductively Coupled Plasma - Atomic Emission Spectroscopy (ICP - AES). ICP-AES is the default finish technique for ME-OG46, however under some conditions and at the discretion of the laboratory an AA finish may be substituted. Under technique OG-46 a prepared sample is digested in 75% aqua regia for 120 minutes. After cooling, the resulting solution is diluted to volume (100 mL) with de-ionized water, mixed and then analyzed.

Gold is analysed under package AA24 which is a fire assay followed by for gold followed by AA, wherein a prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven, 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 4 mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards. Samples with gold or silver values exceeding 10 ppm and 100 ppm respectively are re-assayed using the GRA21 package wherein the sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents in order to produce a lead button. The lead button containing the precious metals is cupelled to remove the lead. The remaining gold and silver bead is parted in dilute nitric acid, annealed and weighed as gold. Silver, if requested, is then determined by the difference in weights.

Condor and Mariana obtained mercury analyses from ALS using the MS-42 procedure (using ICP-MS instrumentation) which has an upper detection limit of 25 ppm. This was performed on core samples during the 2014 drill programme.

Mariana undertook gold assays using screens to determine if coarse gold is present that did not pass through the sieves. The method uses 1000 g of the final prepared pulp which is passed through a 100 micron stainless steel screen to separate the oversize fractions. Any +100 micron material remaining on the screen is retained and analyzed in its entirety by fire assay with gravimetric finish and reported as the Au (+) fraction result. The -100 micron fraction is homogenized and two sub-samples are analyzed by fire assay with AAS finish (Au-AA25 and Au-AA25D). The average of the two AAS results is taken and reported as the Au (-) fraction result. All three values are used in calculating the combined gold content of the plus and minus fractions.

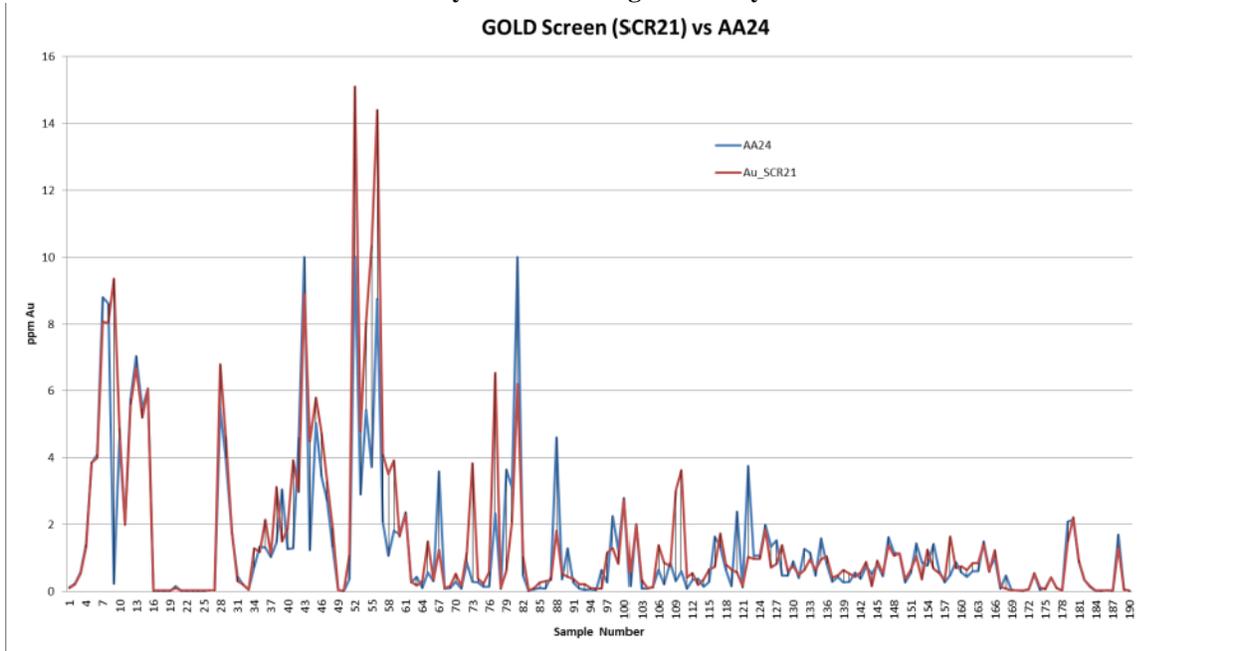
The gold values for both the +100 and -100 micron fractions are reported together with the weight of each fraction as well as the calculated total gold content of the sample. The calculation is done with the following formula:

$$\text{Au-avg} = \frac{[\text{Au-(1)} + \text{Au-(2)}]}{2}$$

$$\text{Total gold (g/t)} = \frac{\text{Au-avg (g/t)} \times \text{Wt. minus (g)} \times 10^{-6} \text{ t/g} + \text{Wt. Au in Plus (mg)} \times 10^{-3} \text{ g/mg}}{[(\text{Wt minus (g)} + \text{Wt. Plus (g)}) \times 10^{-6} \text{ t/g}]}$$

Gold analyses determined by this method are regarded as being the highest precision available and are viewed as “final”. Mariana undertook 190 screen analyses of samples from drill holes SDH – 001 and SDH-012. An examination of these results suggest coarse gold does occur (either naturally occurring or the product of the laboratory’s sample preparation protocol) and Chakana may wish to implement a policy of routine check-analyses using this method. Several results from this comparison should be investigated further where the A24 result is extremely low and the SCR21 assay is high (e.g. points 10 and 45).

Gold by Screened Weighted Assays vs AA24



The policy used in reporting assays results is to choose the method that has the highest accuracy/precision as “final”. Hence “screened” gold is ranked highest, followed by gravimetric and AA24 is lowest. Similarly, for based metals AA and ICP-46 are more accurate than AA24 ICP.

ALS maintains processes and global quality management systems that meet all requirements of International Standards ISO/IEC 17025:2005 and ISO 9001:2008. On every continent, ALS Geochemistry has laboratories accredited to ISO/IEC 17025:2005 for specific analytical procedures, while the majority of their labs have attained ISO 9001:2008 certification, including Callao, which is BVQI ISO 9001:2000 certified and an INDECOPI 17025 accredited laboratory.

Condor also submitted rock samples to SGS. At SGS samples were prepared similar to that at ALS, with weighing, drying and then crushing (90% passing through -10 mesh) followed by pulverizing a 250 g split with 95% passing through a -140 mesh sieve (for reference a -10 mesh is equal to 2mm, a -140 mesh is 106 microns). The multi-element package was ICP40B which marks an important departure from that at ALS, the digestion is “4-acid” which uses a combination of HNO₃ (nitric acid), HF (hydrofluoric acid), HClO₄ (perchloric acid) and HCl (hydrochloric acid). Because hydrofluoric acid dissolves silicate minerals, these digestions are often referred to as “near-total digestions” as only the most refractory minerals such as zircon are not dissolved. In some cases 4-acid digestion results report metal concentrations that are greater than those using conventional commercial mineral processing and metallurgical techniques. When the metals of interest (e.g. Cu, Au and Ag) reside in sulphide minerals aqua-regia is generally considered adequate for determining “total” metal concentrations.

SGS’ method ICP40B provides determinations for 33 elements using ICP-AES (Inductively coupled plasma atomic emission spectroscopy). Elements determined include silver (10 ppm upper limit), iron, sulphur, aluminum, potassium, antimony, arsenic, lanthanum, scandium, barium, lithium, tin, beryllium, magnesium, strontium, bismuth, manganese, titanium, calcium, molybdenum, vanadium, cadmium, sodium, tungsten, cobalt, nickel, yttrium, chromium, phosphorus, zinc, copper, lead and zirconium. Copper, lead and zinc have upper detection limits of 10,000 ppm. Over-limit silver, copper, lead and zinc are assayed using AAS-41B (4 acid digestion with AAS finish) at SGS.

Gold is determined by method FAA313 (30 g sample weight, fire assay, AA finish) or for gold and silver FAG303 (30 g sample weight, fire assay, gravimetric finish). Casapalca did not request SGS to provide screen metallic gold analysis (method FAS50K) but SGS did note gold assay reproducibility issues in four samples from drillhole SDH-0013.

SGS uses a Quality Management System that meets ISO 9001 and ISO/IEC 17025.

Casapalca submitted samples exclusively to SGS del Peru SA, in Callao, Lima. As per Mariana’s choices, Casapalca used ICP40B and AAS-41B but for gold and silver used FAA515/FAG505 which uses a larger, 50 g sample weight.

Several differences between Mariana’s analytical technique choices and Casapalca’s should be considered:

Lab Comparison			
Mariana	Effect	Casapalca	Effect
Aqua regia Digestion - partial	nil	Four-acid - total	nil
Gold assay based on 30 g sample weight	-	Gold assay based on 50 g sample weight	+
Screen gold assay for metallic gold	+	No screen assays	-
AA24 upper detection limit for Ag is 100 g resulting in fewer assays using OG46	-	ICP40B upper detection limit for Ag is 10 g resulting in more assays using AAS4-1B	+
Written Disclosure on analytical methods	+	Cryptic descriptions/ not readily available	-

Chakana submitted to core samples to the ALS facility in Callao, Lima Peru. As described above samples are processed under the control of ALS using the same preparation protocols as those used for Mariana’s core sample. All samples are analysed using the ME-MS41 procedure in order to obtain a comprehensive multi-element overview of the geochemistry. Gold is analysed by ME-MS41 (not considered reliable), then using a 50g sample weight by AA24 (higher precision) and then GRA22 when values exceed 10 g/t. Over-limit silver, copper, lead and zinc is analysed using the OG-46 procedures.

QA/QC Review

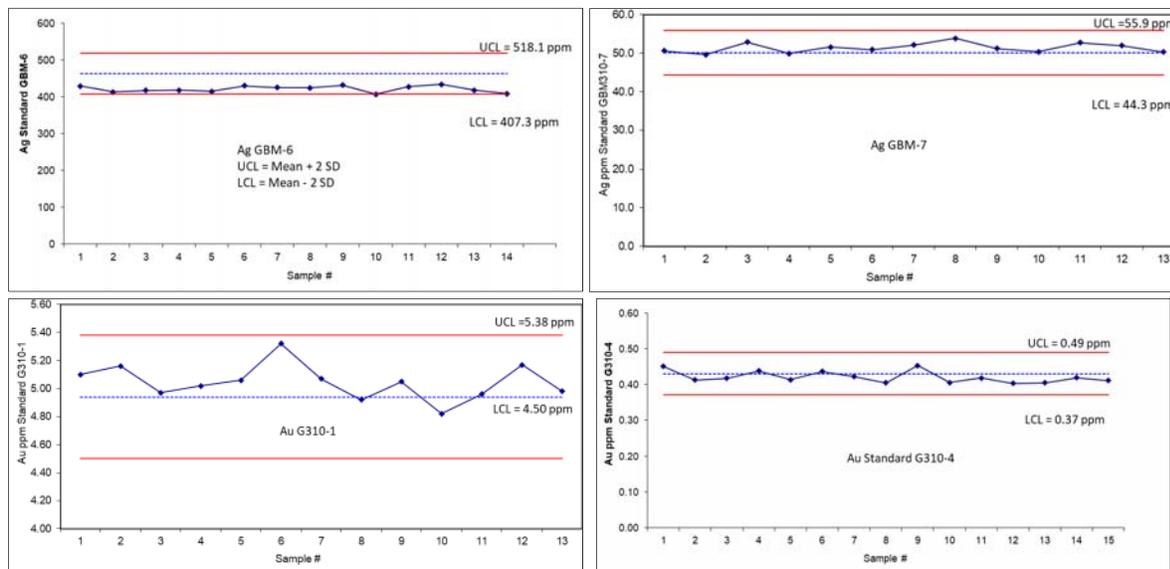
Mariana submitted samples primarily to ALS Chemex in Lima in multiple batches. Blanks and standards (certified reference materials or “CRM”) were included. Four standards were used, obtained from Geostats Pty Ltd domiciled in O’Connor, Western Australia:

- GBM997-6 (“GBM-6”): Ag certified value 462.7 g/t (standard deviation is 27.7)
- GBM310-7 (“GBM-7”): Ag certified value 50.1 g/t (standard deviation is 2.9)
- G310-1: Au certified value 4.94 g/t (standard deviation is 0.22)

- G310-4: Au certified value 0.43 g/t (standard deviation is 0.03)

The following control charts of the CRM's show the certified value with +/- 2 SD. Certified values are in dotted blue, the upper and lower control limits in red (2SD) in red and the analytical values obtained are in solid blue.

CRM Control Charts - Mariana



GBM-6 is a high grade silver standard. No analyses exceed the certified assay and no results exceed 2SD.

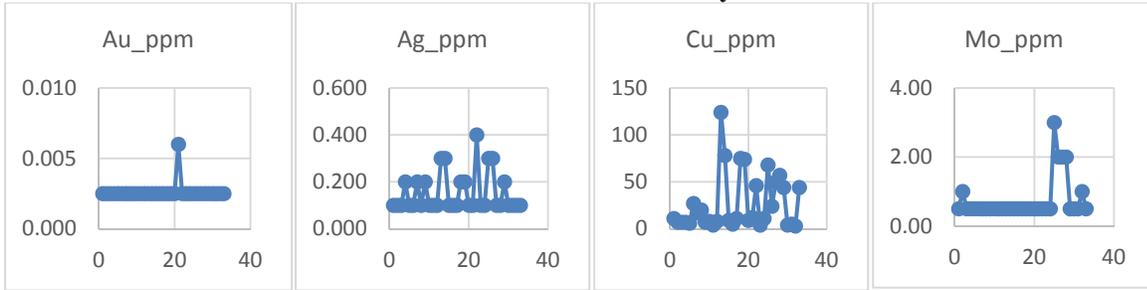
GBM-7 is a lower grade silver standard. Nine results are at or slightly exceed the certified assay and none exceed 2SD.

G310-1 is a gold standard. Twelve results are at or above the certified assay and none exceed 2SD.

G310-4 is a gold standard. Two results exceed the certified assay and none exceed 2SD.

Mariana also inserted blanks. The origin and nature of the material used is not known. Results show slight evidence of low-level contamination.

Mariana Blank Analyses



Duplicates

Mariana instructed ALS to prepare duplicate lab reject samples at regular intervals from core samples. These were then processed as part of the analytical stream in the work order. Figures A to C below are scatter plots of the original samples versus the duplicate samples for gold and copper. The dashed line is the trend line.

The gold graph Au-Dup-Au-Core shows some higher-grade scatter with a correlation coefficient of 0.56, strongly influenced by a few high-grade samples. If the gold data is sub-divided to include only gold core exceeding 4.0 g/t the correlation coefficient improves to 0.92. Copper_Dup-Cu_Core demonstrates that copper is highly reproducible with a correlation coefficient of 0.98.

Figure A - Gold in Duplicate Sample vs Original in Core - Mariana

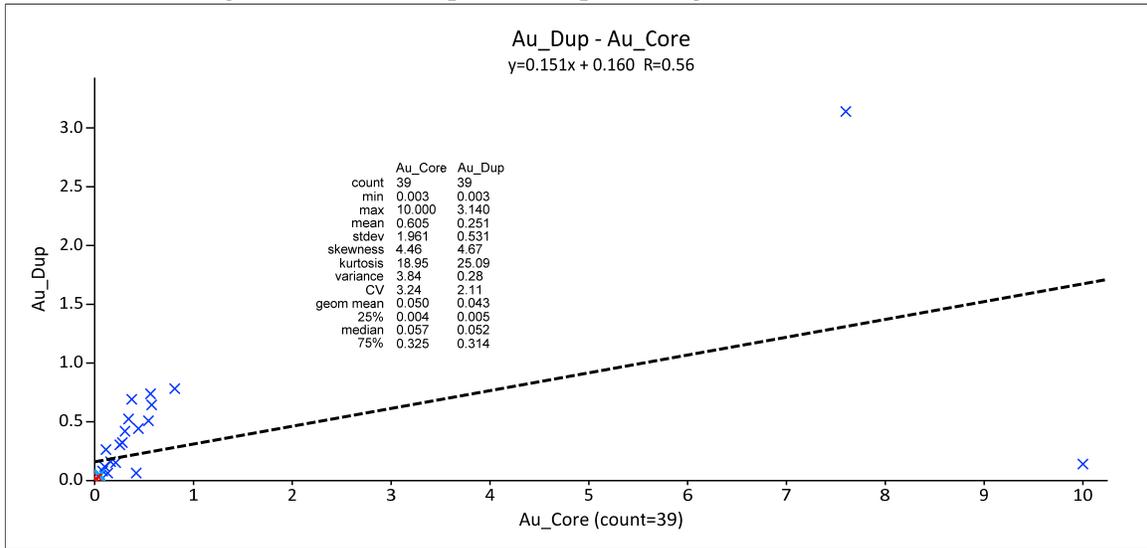


Figure B: Gold >4.0 g/t in Duplicate Sample vs Original in Core - Mariana

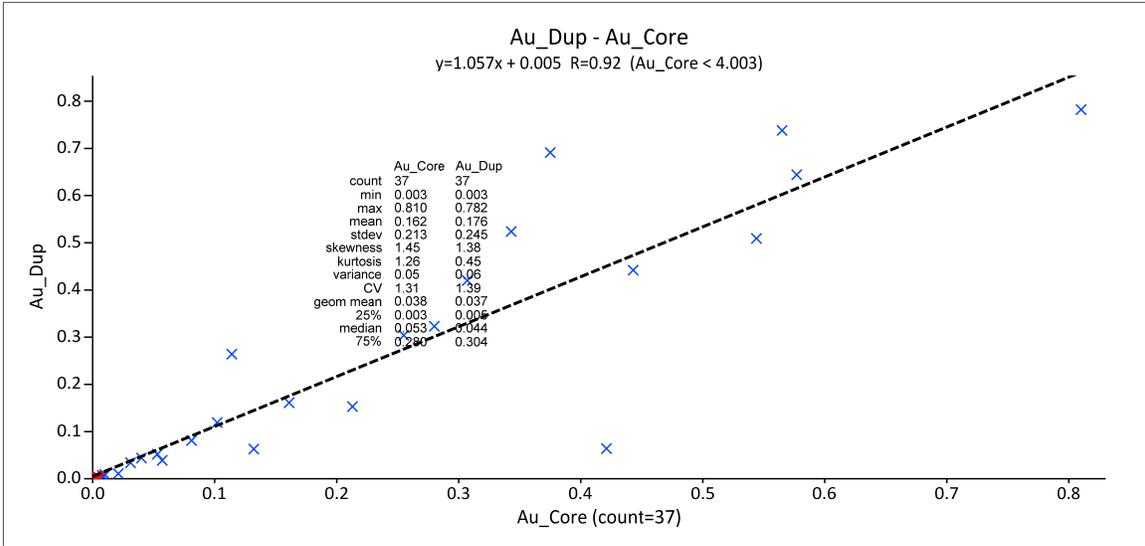
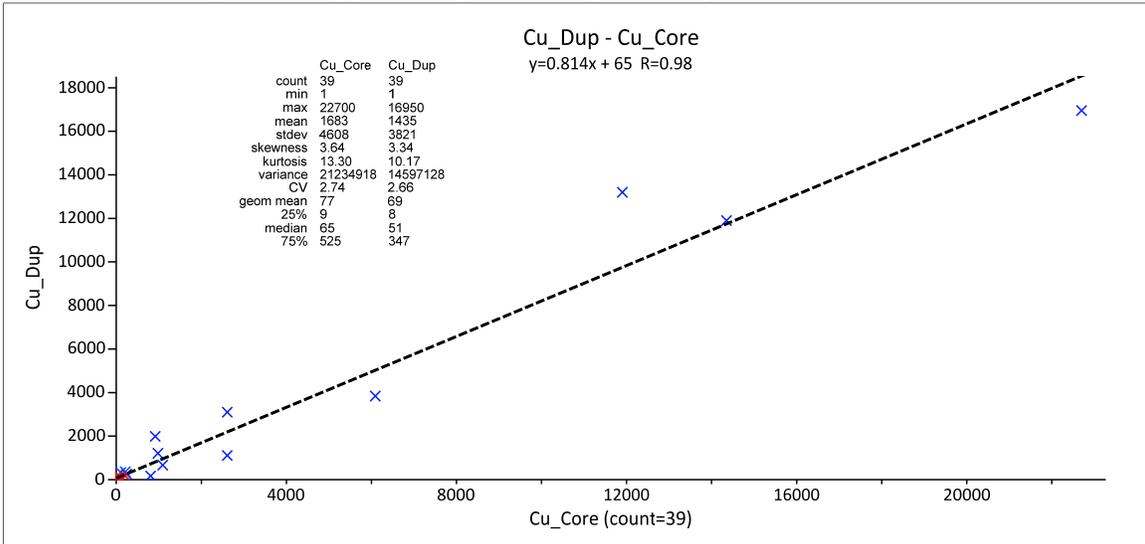


Figure C: Copper in Duplicate Sample vs Original in Core - Mariana

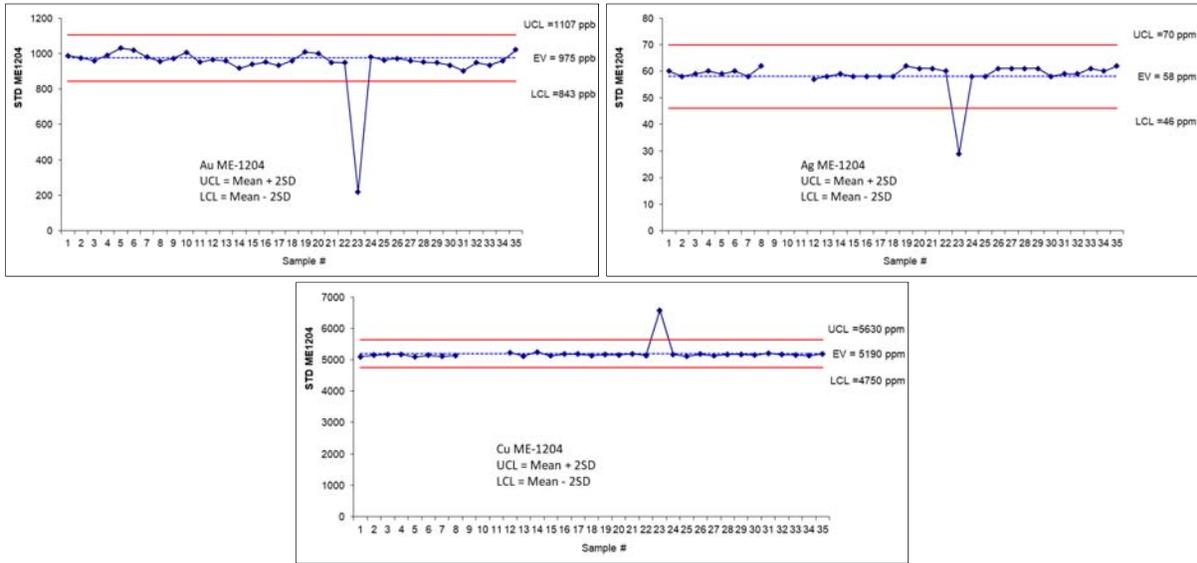


Casapalca submitted samples to SGS in multiple batches. Blanks and standards (certified reference materials or “CRM”) were included. Three standards were used, obtained from CDN Resource Laboratories Ltd. domiciled in Langley, BC:

- ME1204 – Certified Values: Gold 0.975 g/t ± 0.066 g/t, Silver 58 g/t ± 6 g/t, Copper 0.519 % ± 0.022 %, Lead 0.443% ± 0.024 %, & Zinc 2.36 % ± 0.12 %
- ME1304 – Certified Values: Gold 1.80 g/t ± 0.12 g/t, Silver 34.0 g/t ± 3.2 g/t, Copper 0.268 % ± 0.010 %, Lead 0.258 % ± 0.014 %, & Zinc 0.220 % ± 0.012 %
- ME1412 – Certified Values: Gold 0.206 g/t ± 0.036 g/t, Silver 29.1 g/t ± 2.8 g/t, Copper 0.652 % ± 0.026 %, Lead 0.382 % ± 0.012 %, & Zinc 2.00 % ± 0.06 %

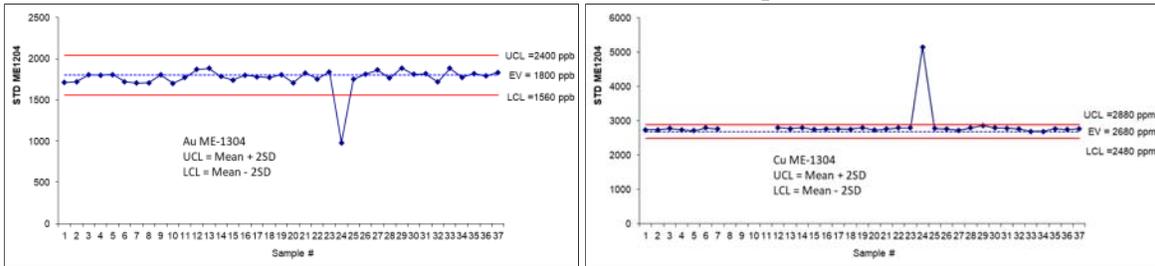
The following control charts of the CRM’s show the certified value with +/- 2 SD. Certified values are in dotted blue, the upper and lower control limits in red (2SD) in red and the analytical values obtained are in solid blue.

Control Charts CRM ME-1204-Casapalca



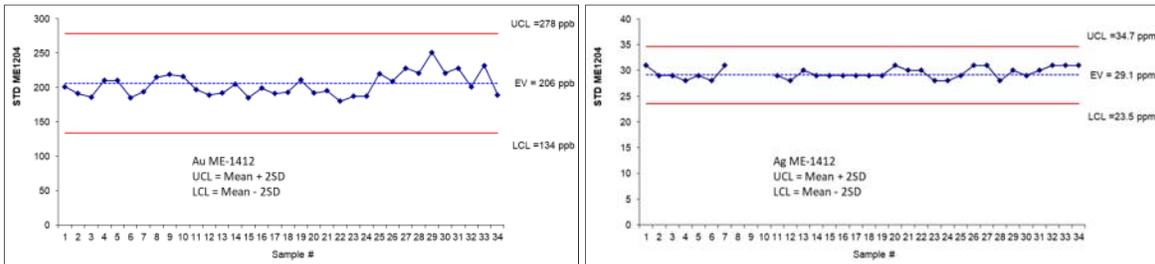
ME 1204 is a polymetallic standard. There is a through going failure in point 23, corresponding to a sample shipment from SDH-016

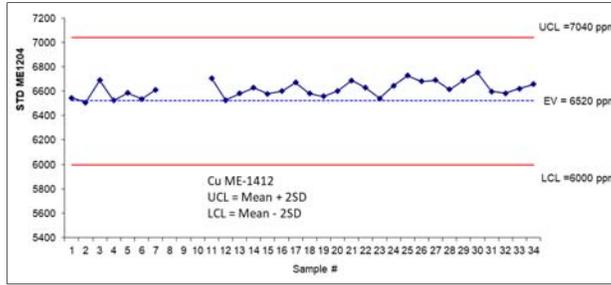
Control Charts CRM ME-1304-Casapalca



ME1304 is a polymetallic standard. There is a failure in points 24/25. This shows in silver as well.

Control Charts CRM ME-1412- Casapalca

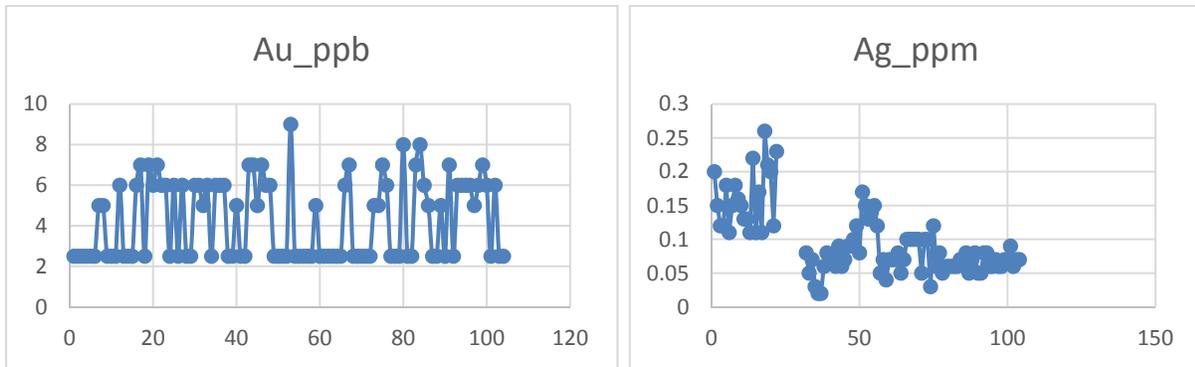




ME1412 is a polymetallic standard. No failures noted.

Casapalca also inserted blanks. The origin and nature of the material used is not known. Results show some slight variations that are with normal analytical parameters.

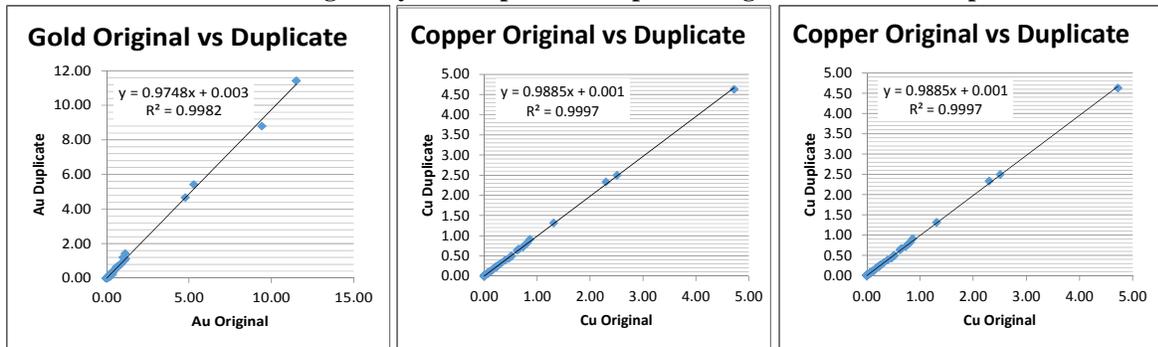
Casapalca Blank Analyses



Duplicates

Casapalca had SGS prepare and analyse a duplicate every 20 samples. The nature of these duplicates is uncertain; however the correlation coefficient is so high it is likely that these are splits from the same lab prepared pulps.

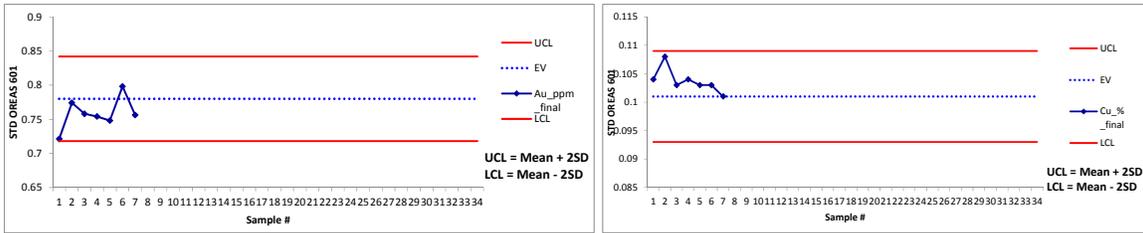
Au-Cu-Ag Analyses - Duplicate Sample vs Original in Core - Casapalca



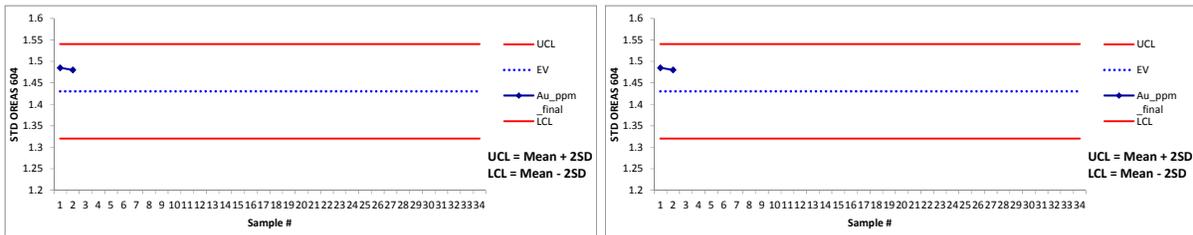
Chakana has instituted a programme that includes the insertion of certified reference materials, a coarse and finely-crushed blank and duplicates samples. Though early stage QA-QC results suggest results are reliable but need constant monitoring.

Four different CRM's are used, obtained from ORE Research & Exploration Pty Ltd., Bayswater North Victoria, Australia. Results are acceptable.

Control Standard Ores 601 (Gold & Copper)

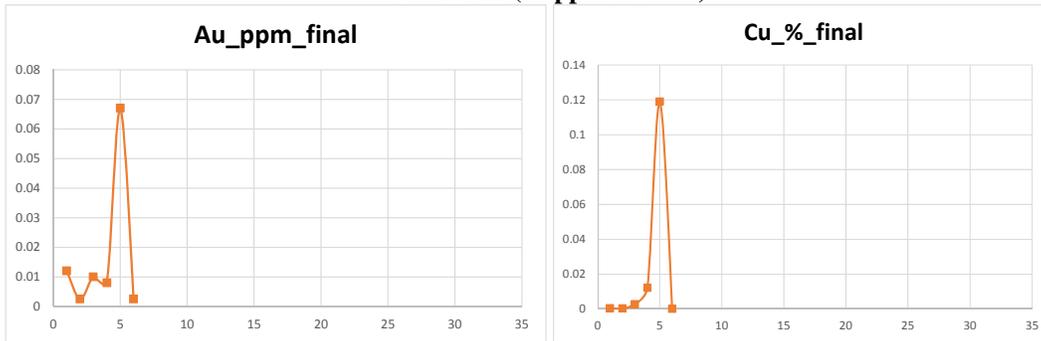


Control Standard Ores 604 (Gold & Copper)



Commercially-prepared blanks show signs of one batch that requires a discussion with the lab, although the CRM's for the same batch are well within acceptable limits:

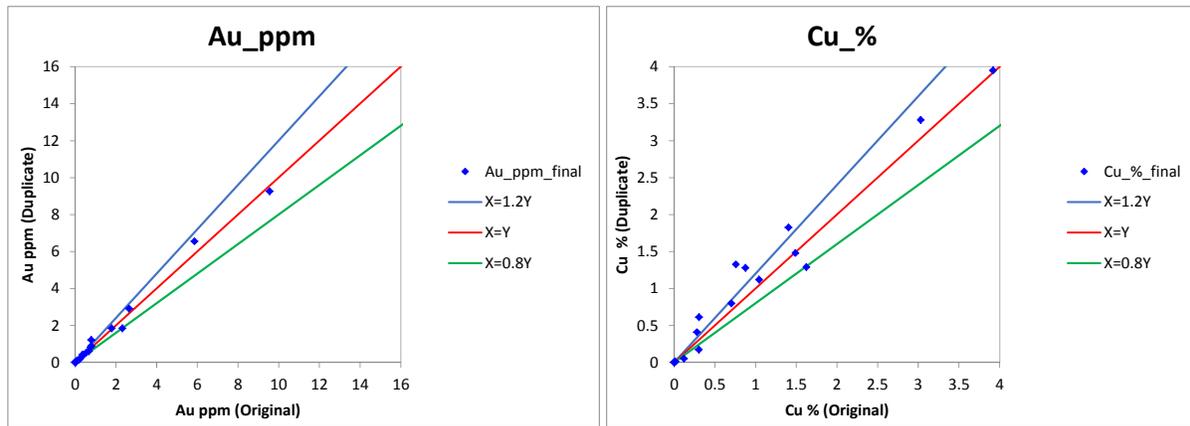
Coarse Blank (Copper & Gold)



Chakana's procedure for duplicates is different than historic operators. Chakana cuts every 20th sample interval in half, creating quarter-core samples. This procedure results in half the core being reserved in the core boxes for future reference, quarter goes into a sample bag as an original sample, the remaining into a second bag with a different sample number, creating a "field duplicate". The duplicate analytical results are averaged with the original sample result to produce a "final" grade.

Results for the SDH17-017 to 021 are reasonable for the sample and deposit type at this stage of drilling.

Duplicate Sample Comparisons



It is the author of the Technical Report's opinion that Chakana's Soledad electronic database of analytical results is adequate for this stage of exploration. This is based on the author's own independent comparison of certified assays and the drilling /assay database for the exploration by Chakana, Mariana and Casapalca.

It is the opinion of the author of the Technical Report that the QA/QC sampling supports the drill results from the latest exploration programmes by Chakana, Mariana and Casapalca. Future drilling and trenching should continue to institute strict industry-standard QA/QC procedures but be under the guidance of a qualified person with the necessary experience to undertake mineral resources estimates.

It is the author of the Technical Report's opinion that the drill core verification sample results compare reasonably well between Chakana, Mariana, and Casapalca, and that the near-surface sample results confirm the precious metal and base metal mineralization reported by Condor and Mariana for the Soledad Project.

Data Verification

Property Database: At the time of its initial exploration on the Soledad Project, Condor had not instituted a rigorous QA/QC programme of introducing standards and blanks into the batches of samples submitted for analyses. ALS has a policy of rechecking analytical results and using laboratory standards. The author of the Technical Report reviewed the check analyses of drill core results and notes that results are not reproduced with precision.

Rio: Historic information to the author of the Technical Report cannot be verified. Most is derived from pre-SEDAR, pre-NI 43-101 news releases. The source of this information is mostly from Condor or the author of the Technical Report. It cannot be validated or verified.

From Condor:

- a) Analytical csv files and pdf copies of assay certificates were provided;
- b) Rock sampling spreadsheets that include Mariana results; and
- c) A geophysical report by Arce.

From Mariana:

1. PDF copies of ALS Chemex certificates covering rock-chip, grab, drill core and TerraSpec samples were provided;
2. For rock-chip and drill core samples are provided in a database (Access) Format and as .CSV originating from ALS Chemex, tabulated assay and analytical results, rechecks and laboratory standards. These had been modified to include sample numbers, co-ordinates and other industry-standard data that is required to model exploration information using computer software.
3. Digital copies of the geophysical surveys done by Arce.
4. Other information was sourced from internet sources.

From Casapalca:

- i. A summary report on the drill holes, complete with logs and assays, and summary descriptions in .pdf form.
- ii. Excel spreadsheets with hole survey, assay, and lithology.
- iii. Assay certificates and csv versions of the data files (by certificate number) were provided.

Verification of the field work done after the author of the Technical Report's examination of Soledad by Chakana includes two site visits, two reviews of drill core in Lima and examinations of the copies of electronic records supplied by the Client.

From Chakana:

- 1) Data files in Access, Excel and pdf formats
- 2) Map Info, ArcGIS, Surpac, Google Earth files
- 3) Reports on geophysical, petrology, alteration, landowner agreements.
- 4) Diamond drill-hole logs, locations, and assay results from ALS Chemex as certificates, QA/QC reports and csv files.

The author of the Technical Report performed a review of the drill-hole data by comparing pdf assay certificates to laboratory csv data files to values entered into the Chakana, Mariana and Condor electronic databases or the Casapalca drilling report. The author of the Technical Report could not check the Rio historical drill-hole data because it is not available.

No serious entry errors were identified in the historic drilling data. The author of the Technical Report encouraged Chakana to update certain records with the screen metallic gold results and to create a "final" column to make it clear which data is to be used in geological modelling. When there were a number of analytical procedures performed to check over-limit analytical results, the most accurate procedure was considered the "final" value (i.e. Fire Assay/Gravimetrics superseded Fire Assay/Atomic Absorption which superseded ICP values). All "below detection limit" analytical values were assigned one-half the lower detection limit value.

The analytical data base included assay certificates from SGS for the Casapalca drilling samples. Cross-checking these to Velito' report (2017) and to the csv values confirmed the accuracy of the analytical database.

- The author of the Technical Report reviewed reported composite intersections. Generally these were length-weighted but not unfairly so;
- Mineralization boundaries will be determined in part by assay walls and not simply rock contacts. Since Remo intends to do sufficient drilling to undertake a resource estimate the writer defers to the next QP whom will establish composite intervals based upon new and more complete data, current metal prices and a rigorous model;
- The author of the Technical Report did examine all the analytical results and compared them to reported disclosure documents that were reported at the time (news releases, management discussion and analyses, and financial statements). Condor's are available on SEDAR under the issuer profile "Condor Resources Inc.". The author of the Technical Report was able to locate over 98% of the assay and analytical values in the Excel files that matched those reported.

The author of the Technical Report visited the offices of Condor on April 24, 2017 to review maps and data then examined core at Condor's core shack and collected four samples that same afternoon. The writer visited the Soledad Project during April 26, 2017 in order to collect rock samples for analyses, review the location of breccias and important outcrops, drill pads and roads, and to gain an overview of the scope of the project. During this visit the writer checked the location of several drill-holes and historic rock-chip sample sites. All appeared accurately located and recorded. The author of the Technical Report examined Chakana's 2017 drill core in detail on October 30th and November 1st and visited the Soledad Project a second time on November 13th and 14th in order to verify the nature, results and scope of Chakana's activities.

Reclamation work by Casapalca has destroyed several drill pads and drill-hole collars making it difficult to verify collar locations in some instances. These should be relocated and marked in the field.

The writer collected 7 rock and 4 quarter-core samples from the Soledad Project. These were kept with the writer, transported as personal baggage and delivered by hand to an employee of ALS Minerals. Two blanks and two CRM samples were included in the sample submission. Results are reported on the following table:

Verification Samples

Sample Number	UTM E	UTM N	UTM Zone	Sample type	Length m	Notes
P555070			18L	Qtr Core	1	SDH-007, Box 34, 88-89 m, MARL sample # 598; shingle bx, cpy-tour
P555071			18L	Qtr Core	1	SDH-001, Box 33, 84-85 m, MARL sample # 0064; fractured andesite flow
P555072			18L	Qtr Core	1	SDH-001, Box , 64-65 m, MARL sample # 0043;
P555073			18L	Qtr Core	1	SDH-009, Box 39, 94-95 m, MARL sample # 745
P555076	217718	8920824	18L	chip	0.5	At edge of Bx#6, <10% thin tour-qtz (3 to 5 mm) on joints, compare to sample # 560
P555077	217716	8920820	18L	chip	0.5	Re-sample along MARL saw-cut, in centre of Bx. Area of flat-joints, <15% tour-qtz
P555078	217704	8920309	18L	chip	1.8	tourmalinized fragments up to 15 m, alb(?) -qtz matrix passing to jt-controlled tour veinlets
P555079	217697	8920306	18L	chip	0.5	Re-sample along MARL saw-cut, in centre of Bx. Area of chaotic bx, <15-20% tour, maybe f.g. sulphides
P555080	217645	8920294	18L	chip	0.7	Re-sample along MARL #8466, chaotic, coarse breccia, jarosites
P555082	218496	8920058	18L	grab	0	Breccia #1, shingle breccia, arseno, chalco, py tour; sulphides 10%
P555083	218501	8920068	18L	chip	2	Breccia 1, chaotic bx, local heavy , coarse chalco, pyr, minor aspy, sphal

Sample Number	Au-AA24	Au-GR42	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	Ag-OG46	Cu-OG46
	Au	Au	Ag	Au	Cu	Mo	Pb	Zn	Ag	Cu
	ppm	%								
P555070	2.26		18.95	3.27	2850	11.15	158.5	947		
P555071	0.339		3.94	0.33	465	6.95	421	530		
P555072	7.91		36.5	6.84	>10000	2.02	1100	2480		4.55
P555073	0.756		49.4	0.74	>10000	3.25	689	1040		1.70
P555076	0.26		5.63	0.25	73.5	1.31	153	18		
P555077	0.104		31.2	0.09	35.3	3.57	679	11		
P555078	0.378		5.66	0.09	163.5	1.04	201	44		
P555079	0.308		22	0.17	54.8	1.75	753	11		
P555080	0.132		36.2	1.28	33.5	2.25	264	31		
P555082	4.66		>100	4.59	1210	3.56	943	94	171	
P555083	>10.0	14.5	>100	13	5910	5.44	2970	164	117	

Analytical results are within ranges reported in Soledad Project database and match what the writer was told to expect while in the field. Every effort was made to obtain a range of results; there was no attempt to sample only

high grade. The analytical method is slightly different than that used by Casapalca but similar to that of Mariana and Condor. This digestion is by aqua regia, which is not a “total” digestion. Some results could be lower than those using a four-acid digestion but is unlikely to affect the elements of primary economic interest.

In the author of the Technical Report’s opinion these results confirm the presence of mineralization and in particular confirm the presence of interesting concentrations of gold and silver.

Mineral Processing and Metallurgical Testing

There are currently no metallurgical studies for the Soledad Project.

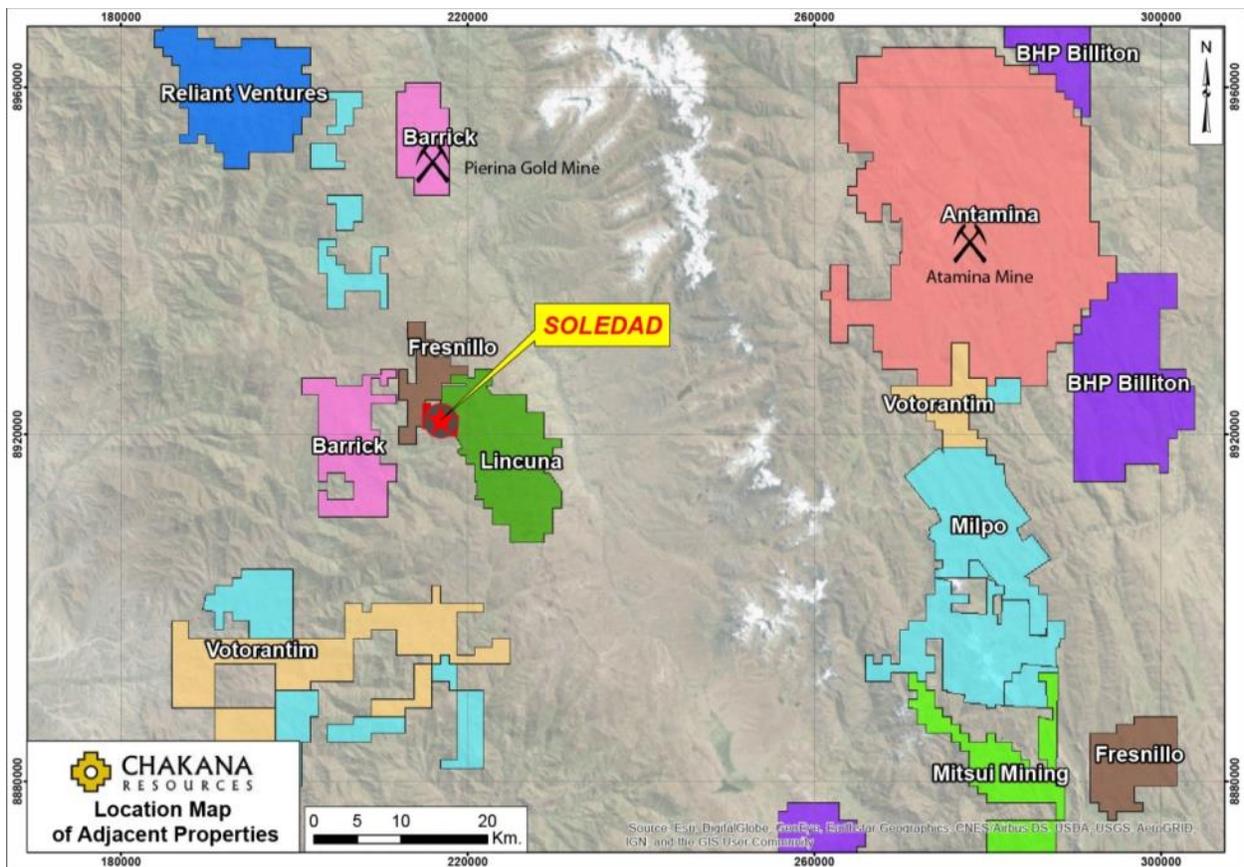
Mineral Resource and Reserve Estimates

There are currently no mineral resources or mineral reserves estimated for the Soledad Project.

Adjacent Properties

The region is actively explored by numerous companies and much of the Cordillera Negra is “staked”. A few key property positions relative to the Soledad Project are shown below:

“Adjacent Properties” in Ancash



Towards the eastern part of the Cordillera Blanca, in the province of Huari, is the Antamina mine, one of the most important mines in Peru. The Antamina mine is a large copper and zinc mine, located in the Andes mountain range, 65 kilometres east-northeast of Soledad. The deposit is located at an average elevation of 4,200 metres. This property is owned 22.5% Teck Resources Limited (“Teck”), BHP Billiton plc (33.75%), Glencore plc (33.75%) and Mitsubishi Corporation (10%).

The mine is an open pit, truck/shovel operation. A 302 kilometre slurry concentrate pipeline transports copper and zinc concentrates to the port at Huarney, 76 km southwest of Soledad. Reserves and resources at Antamina, as reported by Teck (2016):

Reserves at Antamina Mine at December 31, 2015

	Proven		Probable		Totals	
	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)
Copper only ore	128,400	1.02	207,300	0.99	355,700	1.00
Copper-zinc ore	63,400	1.08	199,700	0.83	263,000	0.89
	191,800	1.04	407,000	0.91	598,700	0.95

Resources at Antamina Mine at December 31, 2015

	Measured		Indicated		Inferred	
	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)	Tonnes (000's)	Grade (%)
Copper only ore	44,200	0.51	298,700	0.80	779,600	0.83
Copper-zinc ore	19,600	0.76	135,600	1.10	493,300	1.02
	63,800	0.59	434,300	0.89	1,272,900	0.91

The Antamina polymetallic deposit is skarn-hosted. It has a SW-NE strike length of more than 2,500 metres and a width of up to 1,000 metres. The skarn is well-zoned symmetrically on either side of the central intrusion with the zoning used as the basis for four major subdivisions being a brown garnet skarn, green garnet skarn, wollastonite/diopside/green garnet skarn and a marbleized limestone with veins or mantos of wollastonite. Other types of skarn, including the massive sulphides, massive magnetite, and chlorite skarn, represent the remainder of the skarn and are randomly distributed throughout the deposit. The variability of ore types can result in significant changes in the relative proportions of copper and zinc produced in any given year (Teck, 2016).

Skarn-hosted copper-zinc mineralization similar to that at Antamina has not been found at the Soledad Project. The reserves and resources reported at Antamina are not present at the Soledad Project. The author of the Technical Report was unable to verify the information on Antamina and this information is not necessarily indicative of the mineralization on the Soledad Project that is the subject of this technical report.

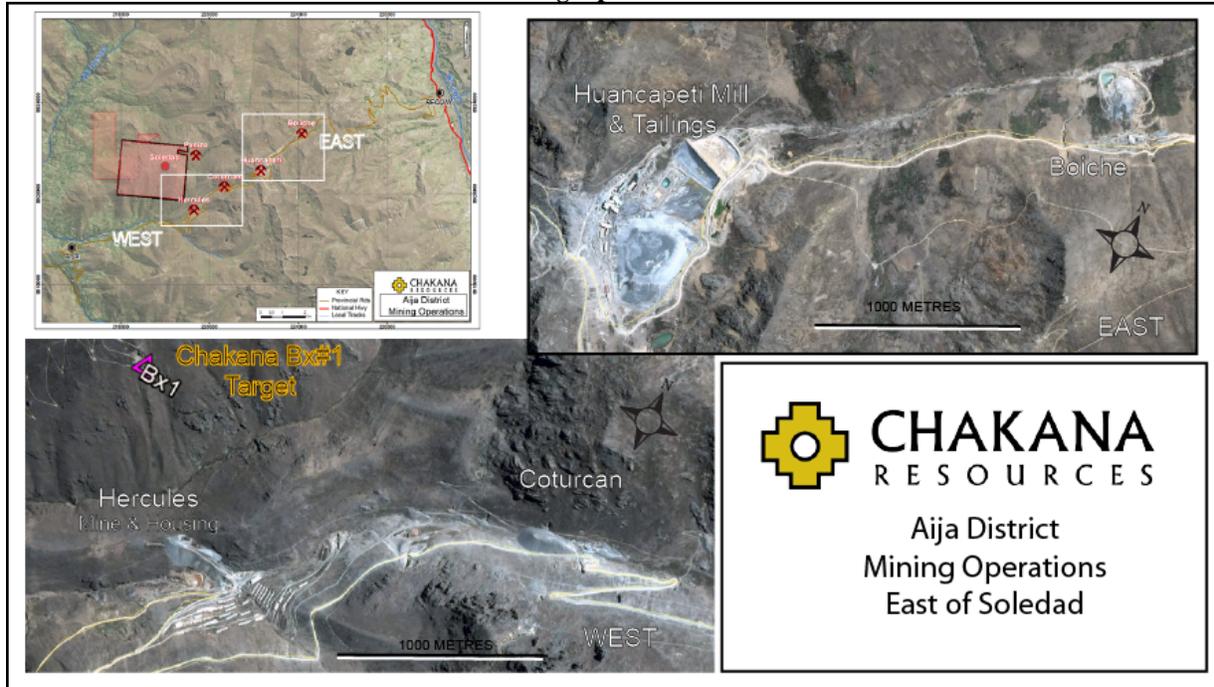
The Pierina Gold Mine was operated by Barrick Gold Corporation from 1997 through into 2013 when it closed due to low metal prices and declining production. Currently the site is being reclaimed with only minor production from the leach pads. The mine site is located 34 kilometres north of the Soledad Project. Pierina is a high-sulphidation epithermal Au–Ag deposit hosted by Middle Miocene Calipuy Group. Mineralization is concentrated in hydrothermal breccias and small dacitic domes that cut a hypabyssal-to-extrusive pumice-tuff and an underlying, older, dacitic flow-dome complex. A three-stage alteration and mineralizing event is recognized including an initial advanced argillic alteration that generated a core of vuggy silica, focused in the tuff and surrounded by zones of quartz–alunite, dickite-kaolinite–pyrophyllite, and illite–montmorillonite-kaolinite. A second stage event introduced gold and silver along with minor Cu, Pb, Bi, Sb, Zn and As-bearing sulfide minerals and barite. Low-temperature meteoric waters have oxidized the deposit destroying sulphide minerals, and are marked by botryoidal hematite and goethite, that are now the main precious-metal hosts (Rainbow et al, 2005).

The Cima Blanca target at Soledad is also a high sulphidation alteration zone but its geology differs from Pierina and gold-silver mineralization identical to that at Pierina has not been found at Cima Blanca or elsewhere on the

Soledad Project. The reserves and resources reported at Pierina are not present at the Soledad Project. The author of the Technical Report was unable to verify the information on Pierina and this information is not necessarily indicative of the mineralization on the Soledad Project that is the subject of this technical report.

There are also numerous small mining operations in the region mining mostly polymetallic veins. The Aija District is one of the more important ones, with a long history (Raimondi, 1873; Bodenlos and Straczek, 1957). Currently there are three operations east of the Soledad Project that are owned and operated by Compañía Minera Lincuna S.A. (“Lincuna”), a private Peruvian company. Reported production from January to June 2017 totaled 3,244t Pb, 21,365 kg (686,900 troy ounces) Ag, 3,470t Zn, and 1,414 g (45 troy ounces) Au (http://www.minem.gob.pe/_estadistica). No resources or reserves are reported by Lincuna. The company operates a 350 tonne per day mill and flotation plant. Concentrates are shipped by truck to port for export to China.

Locations of Mining Operations near to Soledad



Lincuna’s mines are hosted within the Lower Calipuy. Mineralization is epigenetic and vein-like. The major ore minerals are sphalerite and silver-bearing galena, with lesser jamesonite, bournonite, pyrargyrite – proustite, pyrite and arsenopyrite, and rare stibnite. The gangue consists predominantly of quartz, tourmaline, rhodochrosite, and calcite.

The veins in the area may be traced over a kilometre and to several hundred metres depth. Dips on the veins nearest Soledad are 35 to 50° resulting in excessive mining dilution. The mines are mechanized.

Veins and vein-like structures occur at Soledad. Surface sampling has not returned significant results and none have been tested with drilling. Polymetallic vein mineralization identical to that in the Aija District has not been found on the Soledad Project. The author of the Technical Report was unable to verify the information on the Aija District herein and this information is not necessarily indicative of the mineralization on the Soledad Project that is the subject of this technical report.

Work Program

As set out in further detail below, the Resulting Issuer intends to:

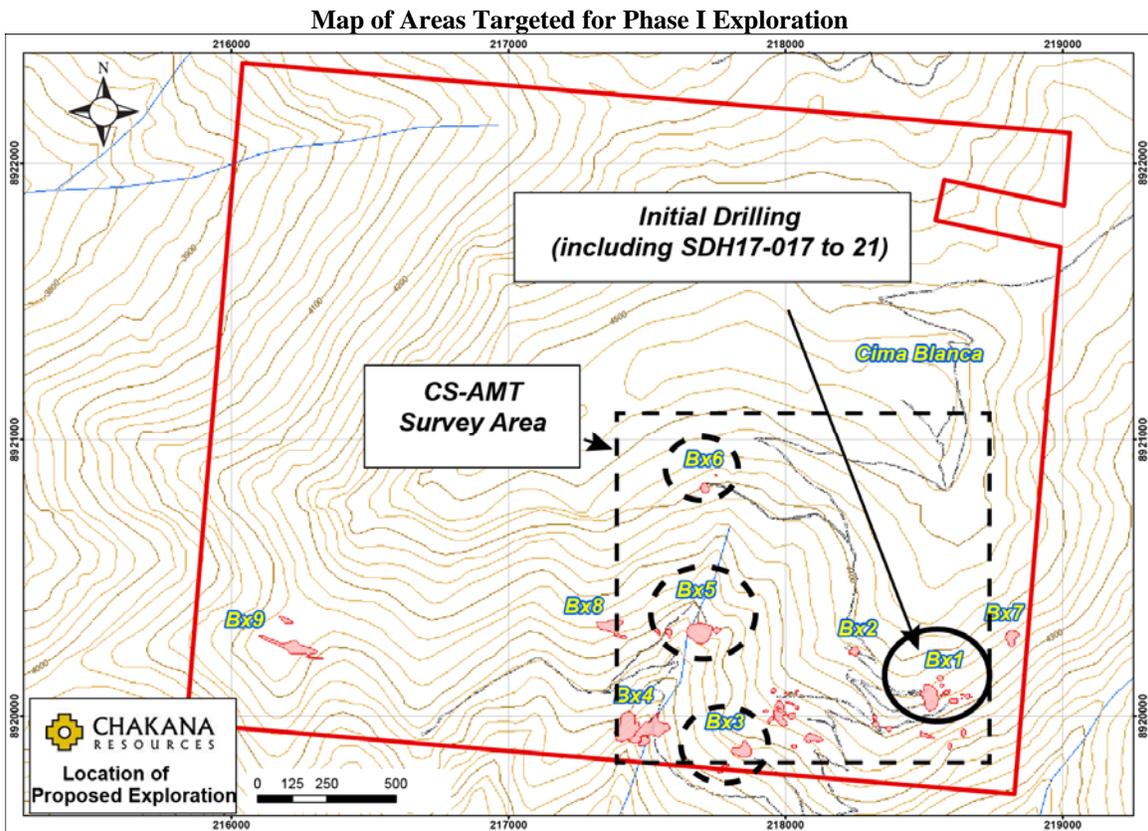
1. Engage with local land owners and the larger community in order to maintain an open dialogue on the progress of the exploration at Soledad;

2. Conduct a programme of exploration on the Soledad Project that should lead, with continuing demonstration of the continuity of mineralization in three dimensions, to a resource estimate.

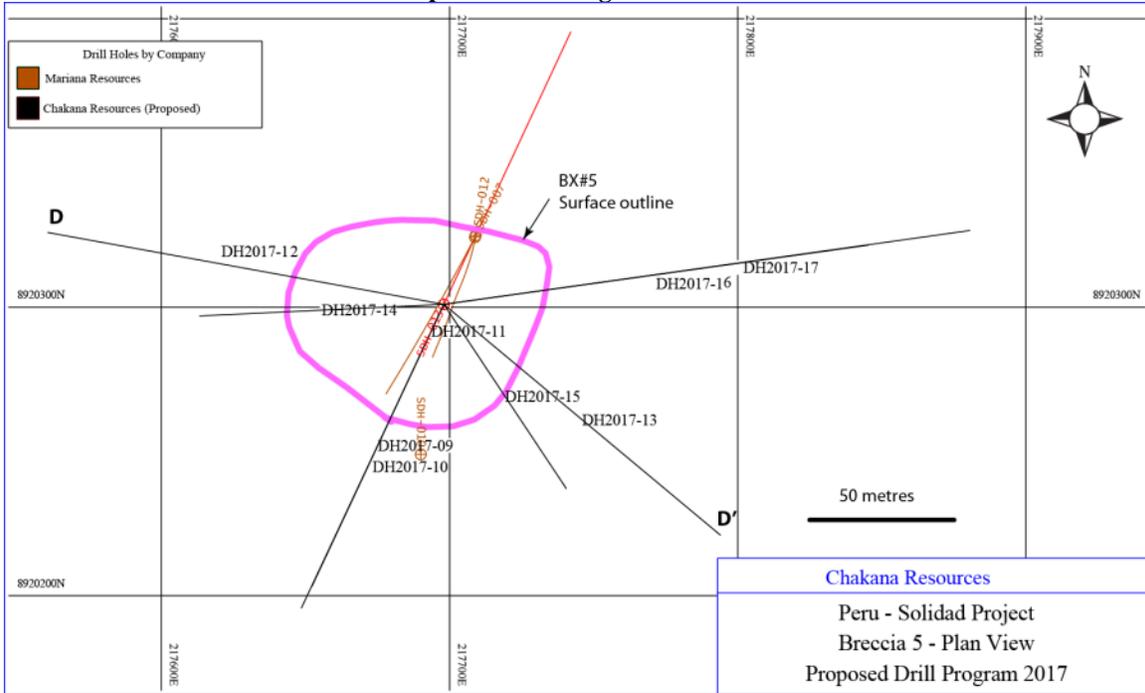
Exploration Programme Overview (2017-2018)

Drilling Programme

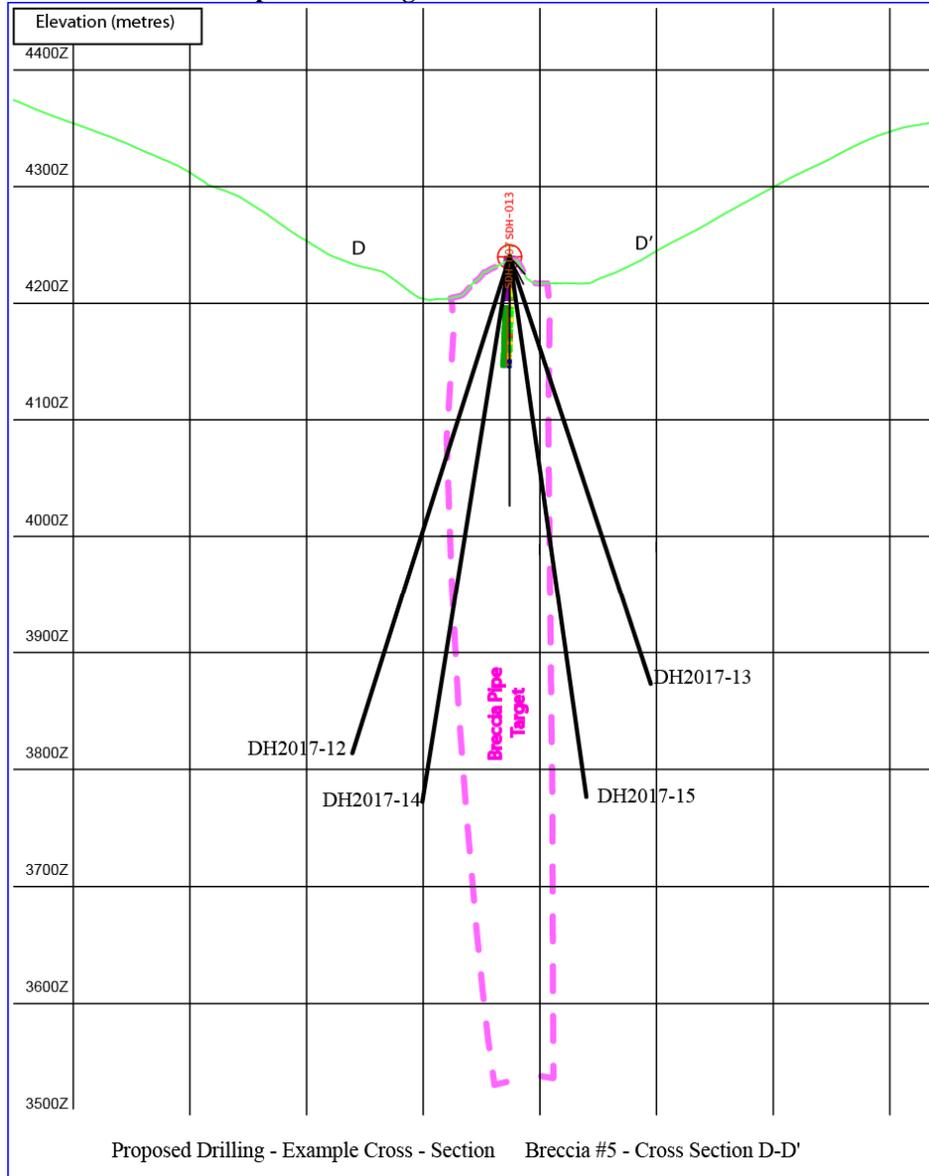
Drilling is recommended to proceed based in part on utilizing current permits as well as obtaining a new EIA-sd permit. Given the results and nature of the previous drilling on breccia pipes 1, 5, 3 and 6, a drilling programme sufficiently detailed to determine a preliminary inferred resource is recommended. Initial focus should be on pipes 1 and 5. Sufficient drilling should be conducted on pipes 3 and 6 to determine if additional drilling might achieve an inferred resource. The initial drill programme under the existing DIA permit allows 8,700m, followed by an additional 7,960m in phase II utilizing a second permit. Drilling should be designed to drill across the pipes at an angle (where possible) in order to characterize the grade domains from the centre of a pipe outwards to the outer contacts and into the host andesite. This will help to determine the “onion skin” grade shells that are suggested by the results to date. At least 8 drill-holes should test the other exploration targets defined from the geophysics programme.



Example of Drill Programme on Bx#5



Proposed Drilling Bx#5 - Cross Section D – D'



Inferred Resource Estimate

As drilling progresses or at the end of the programme a resource estimate should be completed on pipes 1 and 5. The estimation should also include recommendations and drill density required to take the estimate to a measured category. Drill results from pipes 3 and 6 should also be reviewed by a qualified geologist to determine if additional drilling is warranted, and if so, what drill density is required to reach inferred resource status.

Metallurgical Work

Rejects from all sulfide intervals should be stored in nitrogen-filled containers to limit oxidation. Appropriate intervals should be selected for compositing and standard metallurgical tests should be completed to characterize recovery of copper, gold and silver.

Other

Database-related work should also be undertaken. The chip-channel samples collected by Mariana and Condor should be relocated, properly surveyed with sample lengths, beginning and end-points determined. Any area of Bx#1, 3, 5 and 6 that have not been systematically channel-sampled should be. This information will be of importance in any resource estimate since it assists in projecting mineralized domains from drill-holes back to surface. Chakana should also re-establish, mark and survey drill collars damaged or destroyed by the recent reclamation programme by Casapalca.

Work Program Budget

Description	Amount (US dollars)
Geologists and field supervision (4 Peruvian geologists, technicians, 3 specialists/consultants)	755,000
Local labour (10 field workers, 2 drivers)	148,000
Assays & Analyses	340,000
Travel, food/lodging	85,000
Infrastructure improvements (access roads) & reclamation	20,000
Transportation (2 trucks, incl. gas and maintenance)	95,000
Core Drilling (16,500 metres)	1,700,000
Temporary core facility	20,000
Supplies (field and office)	8,000
Communications	9,000
Permitting, legal etc	55,000
Geometallurgy, petrology and mineral characterization	40,000
Community Relations, programme and staff	78,000
Resource estimate guidance and undertaking	79,000
Tenure including option & annual lease payments	14,000
Contingency	150,000
Total	3,596,000

Selected Consolidated Financial Information and Management’s Discussion and Analysis

Selected Financial Information of Chakana

The following information is from the consolidated financial statements of Chakana for the period from December 1, 2016 (date of incorporation) to August 31, 2017 (audited), (the “**Chakana Financial Statements**”). The Chakana Financial Statements are included in this Filing Statement as Schedule “C” and should be read in conjunction herewith. The Chakana Financial Statements were prepared in accordance with IFRS.

	As at August 31, 2017 (\$)
Current Assets	2,936,963
Current Liabilities	410,156
Total Assets	3,026,583
Total Liabilities	410,156
Total Shareholder Equity	2,616,427

Management Discussion and Analysis

The Management’s Discussion and Analysis of the financial condition, changes in financial condition and results of operations of Chakana for the period from December 1, 2016 (date of incorporation) to August 31, 2017, are included in this Filing Statement as Schedule “D” and should be read in conjunction herewith.

Description of the Chakana Securities

Shares

Authorised Capital

Chakana has an authorised capital of an unlimited number of common shares without par value.

Issued and Outstanding Shares

As of the date hereof, there are 50,036,382 Chakana Shares issued and outstanding, all of which shares are fully paid and non-assessable. Upon satisfaction of the Escrow Release Conditions, an additional 11,397,500 Chakana will be issued upon deemed exercise of the Subscription Receipts and 43,000 Chakana Shares will be issued as finders’ fees.

The holders of the Chakana Shares are entitled to dividends, if, as and when declared by the Board of Directors, to receive notice of and attend all meetings of shareholders of Chakana, to one vote per share at such meetings and, upon liquidation, to share equally in such assets of Chakana as are distributable to the holders of the common shares of Chakana. If authorized by the directors, Chakana may purchase, redeem or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

Subscription Receipts

As of the date hereof, Chakana has 11,397,500 Subscription Receipts outstanding. Each Subscription Receipt will be deemed to be exercise for one Chakana Share upon the satisfaction of the Escrow Release Conditions, including the satisfaction or waiver of all conditions precedent to the Transaction. The terms of the Subscription Receipts are more particularly described under “The Transaction – The Financings – Subscription Receipt Financing.”

Warrants

As at the date of the date hereof, there are an aggregate of 12,400,299 Chakana Warrants and Chakana Broker Warrants outstanding exercisable to purchase Chakana Shares, as follows:

- (a) 6,708,333 Chakana Warrants are exercisable at an exercise price of \$0.05 per Chakana Share at any time prior to April 7, 2018;
- (b) 900,000 Chakana Warrants are exercisable at an exercise price of \$0.05 per Chakana Share at any time prior to April 20, 2018;
- (c) 2,973,500 Chakana Warrants are exercisable at an exercise price of \$0.60 per Chakana Share at any time prior to December 29, 2018
- (d) 230,551 Chakana Broker Warrants are exercisable at an exercise price of \$0.40 per Chakana Share at any time prior to June 29, 2019;
- (e) 475,000 Chakana Warrants are exercisable at an exercise price of \$0.60 per Chakana Share at any time prior to January 17, 2019;
- (f) 66,500 Chakana Broker Warrants are exercisable at an exercise price of \$0.40 per Chakana Share at any time prior to July 17, 2019;
- (g) 596,250 Chakana Warrants are exercisable at an exercise price of \$0.60 per Chakana Share at any time prior to January 28, 2019; and
- (h) 172,300 Chakana Broker Warrants are exercisable at an exercise price of \$0.40 per Chakana Share at any time prior to July 28, 2019.
- (i) 133,000 Chakana Broker Warrants are exercisable at an exercise price of \$0.50 per Chakana Share at any time prior to November 7, 2019.
- (j) 144,865 Chakana Broker Warrants are exercisable at an exercise price of \$0.50 per Chakana Share at any time prior to November 9, 2019.

Upon satisfaction of the Escrow Release Conditions and deemed exercise of the Subscription Receipts, an additional 539,825 Chakana Broker Warrants are expected to be issued as finders' fees, which will be exercisable at an exercise price of \$0.50 per Chakana Share for a period of two years.

Stock Options

As at the date of the date hereof, there are an aggregate of 3,635,000 Chakana Options outstanding exercisable to purchase Chakana Shares. All of the Chakana Options have an exercise price of \$0.40 per Chakana Share and expire on September 14, 2022.

Consolidated Capitalization

The following table sets out the consolidated capitalization of Chakana prior to the completion of the Transaction:

<u>Designation of Security</u>	<u>Authorised</u>	<u>Outstanding as of August 31, 2017</u>	<u>Outstanding as of the date of this Filing Statement</u>
Common shares	Unlimited	\$2,985,400 (41,306,167 Chakana Shares) ⁽¹⁾	\$7,660,760 (50,036,382 Chakana Shares) ⁽²⁾

Notes:

- (1) Chakana also had an aggregate of 12,122,434 Chakana Warrants and Chakana Broker Warrants exercisable to acquire Chakana Shares outstanding as of August 31, 2017.
- (2) Chakana also has an aggregate of 12,400,299 Chakana Warrants and Chakana Broker Warrants, 3,860,000 Chakana Options and 11,397,500 Subscription Receipts exercisable to acquire Chakana Shares outstanding as of the date of this Filing

Statement. An additional 43,000 Chakana Shares and 539,825 Chakana Warrants will be issued prior to Closing as finders' fees in connection with the Subscription Receipt Financing.

Prior Sales

Date	Price	Number of Chakana Shares
December 1, 2016 ⁽¹⁾	\$1.00	1
March 17, 2017 ⁽²⁾	\$0.0001	16,500,000
April 7, 2017 ⁽³⁾	\$0.05	14,416,666
April 20, 2017 ⁽³⁾	\$0.05	1,800,000
June 12, 2017 ⁽⁴⁾	\$0.05	500,000
June 29, 2017 ⁽⁵⁾	\$0.40	5,947,000
July 17, 2017 ⁽⁵⁾	\$0.40	950,000
July 28, 2017 ⁽⁵⁾	\$0.40	1,192,500
November 7, 2017 ⁽⁶⁾	\$0.50	4,188,500
November 9, 2017 ⁽⁷⁾	\$0.50	11,397,500
November 9, 2017 ⁽⁶⁾	\$0.50	4,414,000
Total		61,306,167

Notes:

- (1) Initial incorporator's share.
- (2) Issued pursuant to a private placement of Chakana Shares.
- (3) Issued pursuant to a private placement of units, with each unit consisting of one Chakana Share and one-half of a Chakana Warrant, and with each Chakana Warrant exercisable at \$0.05 per Chakana Share for a period of one year from the date of issue.
- (4) Issued upon exercise of Chakana Warrants.
- (5) Issued pursuant to a private placement of units, with each unit consisting of one Chakana Share and one-half of a Chakana Warrant, and with each Chakana Warrant exercisable at \$0.60 per Chakana Share for a period of 18 months from the date of issue.
- (6) Issued pursuant to the Share Financing.
- (7) Represents 11,397,500 Subscription Receipts issued pursuant to the Subscription Receipt Financing which will be deemed exercised for Chakana Shares upon satisfaction of the Escrow Release Conditions.

Compensation of Executive Officers

Named Executive Officer

"Named Executive Officer" (an "NEO") means the CEO, the CFO and each of the four most highly compensated executive officers, other than the CEO, who were serving as executive officers at the end of the most recently completed financial year, regardless of the amount of their compensation, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of Chakana at the end of the most recently completed financial year.

David Kelley (President and CEO) and Kevin Ma (CFO) are each an NEO of Chakana for the purposes of the following disclosure.

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about Chakana's executive compensation objectives and processes and to discuss compensation decisions relating to its NEOs listed in the Summary Compensation Table that follows.

The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of Chakana.

Philosophy and Objectives

The compensation program for the senior management of Chakana is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of Chakana's shareholders.

Given the evolving nature of Chakana's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Base Salary

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which Chakana operates is a first step to attracting and retaining qualified and effective executives. Competitive salary information on comparable companies within the industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications.

Compensation Risks

The Board is aware of the fact that compensation practices can have unintended risk consequences. The Board will continually review Chakana's compensation policies to identify any practice that might encourage an employee to expose Chakana to unacceptable risk. At the present time the Board is satisfied that the current executive compensation program does not encourage the executives to expose the business to inappropriate risk. The Board takes a conservative approach to executive compensation rewarding individuals for the success of Chakana once that success has been demonstrated, and providing incentives to continue achieving that success through the grant of long-term incentive awards.

Hedging Policy

Since Chakana is a private corporation, a hedging policy has not been considered by the Board.

Share-Based and Option-Based Awards

Chakana has no incentive plans in place pursuant to which it would issue securities to employees or executives.

Summary Compensation Table

The compensation paid to the NEOs for the period from December 1, 2016 (date of incorporation) to August 31, 2017 is as set out below:

Name and principal position	Salaries & fees \$	Share-based awards \$	Option-based awards \$	Non-equity incentive plan compensation		Pension value \$	All other compensation \$	Total compensation \$
				Annual incentive plans \$	Long-term incentive plans \$			
David Kelley, President and CEO	40,500 ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	40,500
Kevin Ma, CFO	18,000 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	18,000

Notes:

- (1) Accrued monthly salary of USD\$10,000 per month payable to David Kelley from June 1, 2017 to August 31, 2017.
- (2) Fees were paid to Skanderbeg Financial Advisory Inc., a company Kevin Ma owns and controls.

Outstanding Share Based Awards and Option Based Awards

As of August 31, 2017, there were no securities based awards outstanding for any NEO.

On September 14, 2017, Chakana adopted the Chakana Stock Option Plan and granted 1,000,000 Chakana Options to David Kelley and 150,000 Chakana Options to Kevin Ma. Each Chakana Option has an exercise price of \$0.40 and expires on August 31, 2022.

Pension Plan Benefits

Chakana does not have a pension plan and does not pay pension benefits to any of its NEOs.

Termination and Change of Control Benefits

There are no termination or change of control payment obligations from Chakana to any director or officer.

Director Compensation

The following table sets out the compensation provided by Chakana to the directors, excluding directors who are Named Executive Officers, for the period from December 1, 2016 (date of incorporation) to August 31, 2017:

Name	Fees earned \$	Share-based awards \$	Option-based awards \$	Non-equity incentive plan compensation \$	Pension value \$	All other compensation \$	Total \$
Douglas Kirwin	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Black	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Darren Devine	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Thomas E. Wharton, Jr	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mario Vetro ⁽¹⁾⁽²⁾	47,220	25,971 ⁽¹⁾	Nil	Nil	Nil	Nil	73,191

Notes:

- (1) Fees paid to Skanderbeg Capital Advisors Inc., a company of which 50% is owned by Mario Vetro, include the issuance of 118,050 finders' warrants. The fair value of the finders' warrants was calculated using the Black-Scholes model.
- (2) Mario Vetro resigned as a director of Chakana effective November 6, 2017.

Outstanding Share-based Awards and Option-based Awards

As of August 31, 2017, there were no securities based awards outstanding for any director.

On September 14, 2017, Chakana adopted the Chakana Stock Option Plan and granted an aggregate of 975,000 Chakana Options to the directors of the Chakana (excluding directors who are NEOs), as follows: 300,000 Chakana Options to Doug Kirwin and 225,000 Chakana Options to each of John Black, Darren Devine, and Thomas Wharton. Each Chakana Option has an exercise price of \$0.40 and expires on August 31, 2022.

Changes to Executive Compensation Subsequent to August 31, 2017

On September 14, 2017, Chakana adopted the Chakana Stock Option Plan and granted an aggregate of 3,860,000 Chakana Options to the directors, officers and employees of Chakana. Each Chakana Option has an exercise price of \$0.40 and expires on August 31, 2022. 225,000 of such Chakana Options were subsequently cancelled on November 6, 2017 in connection with the resignation of a director.

Except as set forth above, there have been no material changes to Chakana's executive compensation subsequent to August 31, 2017.

Non-Arm's Length Party Transactions

Since incorporation, Chakana has not entered into any transactions that could be considered to be non-arm's length within the meaning of applicable laws.

Legal Proceedings

There are no pending legal proceedings to which Chakana is or is likely to be a party, or of which the Soledad Project or any of its assets is the subject matter.

Material Contracts

The following are the material contracts of Chakana, other than contracts entered into in the ordinary course of business, entered into since incorporation:

1. Mining Assignment and Option Agreement dated April 17, 2017 between Chakana Sub and Minera Vertiente Del Sol S.A.C., with respect to the option to purchase of certain mining rights in connection with the Soledad Project, as described under "Information Concerning Chakana – Soledad Project – Mining Assignment and Option Agreement";
2. Assumption and Accession Agreement dated April 24, 2017 between Chakana and Condor with respect to the option to purchase of certain mining rights in connection with the Soledad Project, as described under "Information Concerning Chakana – Soledad Project – Mining Assignment and Option Agreement";
3. Agency Agreement dated June 29, 2017 among Chakana, Eventus Capital Corp. and Eight Capital, entered into in connection with a brokered unit financing completed on June 29, 2017, as described under "Information Concerning Chakana – General Development of the Business of Chakana"; and
4. Amalgamation Agreement dated October 5, 2017 among Chakana, the Issuer and the Issuer's wholly-owned BC subsidiary, Remo Sub, as described under "The Transaction – the Amalgamation Agreement".

Copies of these agreements may be inspected without charge during regular business hours at the offices of the Chakana's counsel, McMillan LLP, 1500 - 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7 until 30 days after the Closing of the Transaction and may be found on SEDAR at www.sedar.com.

THE TRANSACTION

Overview

Effective October 5, 2017, the Issuer, Remo Sub and Chakana entered into the Amalgamation Agreement, which sets forth the terms of and provides for the implementation of the Transaction. Pursuant to the Amalgamation Agreement, Remo will acquire 100% of the issued and outstanding shares of Chakana in exchange for post-Consolidation Remo Shares.

Description of the Transaction

The Consolidation

Prior to Closing, the Issuer will complete the Consolidation whereby the Issuer will consolidate the Remo Shares on the basis of one post-Consolidation Remo Share for every 6.865385 pre-Consolidation Remo Shares. Upon completion of the Consolidation, the Issuer will have approximately 1,300,000 Remo Shares issued and outstanding (subject to rounding). Pursuant to the Issuer's Articles, the Consolidation will be effected by way of a resolution of the Remo Board.

The Name Change

In connection with the Transaction, the Issuer will change its name to "Chakana Copper Corp." or such other name as may be agreed to by the Issuer and Chakana. Pursuant to the Issuer's Articles, the name change will be effected by way of a resolution of the Remo Board.

The Financings

As a condition of the Transaction, Chakana completed a non-brokered private placement of Chakana Shares and Subscription Receipts entitling the subscribers to receive Chakana Shares for total aggregate gross proceeds of \$10,000,000, as set out in further detail below. The completion of the Financings satisfied a condition precedent of the Transaction that Chakana complete a financing for gross proceeds of a minimum of \$4,000,000.

In connection with the Financings, Chakana paid finders' fees consisting of the payment of aggregate cash fees of \$75,075, the issuance of 127,715 Chakana Shares and the issuance of an aggregate of 277,865 Chakana Warrants. Upon satisfaction of the Escrow Release Conditions, Chakana will pay additional finder's fee consisting of the payment of aggregate cash fees of \$248,412.50, 539,825 Chakana Warrants and 43,000 Chakana Shares. Each Chakana Warrant issued pursuant to the Financings entitles the holder thereof to purchase one additional common share of Chakana at an exercise price of \$0.50 per common share at any time up until two years from the issue date of the Chakana Warrant. Upon completion of the Transaction, the Warrants issued to the finders will be exercisable for Resulting Issuer Shares.

Share Financing

On November 7, 2017 and November 9, 2017, Chakana completed the Share Financing for 8,602,500 Chakana Shares at a price of \$0.50 per Chakana Share. The Chakana Shares issued pursuant to the Share Financing will be exchanged for 8,602,500 Resulting Issuer Shares pursuant to the Transaction.

Subscription Receipt Financing

On November 9, 2017, Chakana completed the Subscription Receipt Financing for 11,397,500 Subscription Receipts at a price of \$0.50 per Subscription Receipt for gross proceeds of \$5,698,750. Each Subscription Receipt entitles the holder to receive, without payment of any further consideration, one Chakana Share upon the satisfaction of the following escrow release conditions:

- (a) all conditions precedent to the closing of the Transaction shall have been satisfied, except for those conditions that have been waived by Chakana or the Issuer, as applicable; and

- (b) the Transaction shall have been conditionally approved by the TSX Venture Exchange; (collectively, the “**Escrow Release Conditions**”).

The gross proceeds from the sale of the Subscription Receipts in the amount of \$5,698,750 were deposited in escrow and will be released from escrow and paid to Chakana, together with accrued interest, upon satisfaction of the Escrow Release Conditions. In the event that the Escrow Release Conditions are not satisfied by January 31, 2018 (or such later date as may be agreed by the holders of the Subscription Receipts), the gross proceeds from the sale of the Subscription Receipts, together with accrued interest, will be returned to the purchasers.

The Amalgamation

Pursuant to the Amalgamation Agreement among the Issuer, Remo Sub and Chakana, the Issuer will acquire 100% of the Chakana Shares, thereby resulting in the indirect acquisition of Chakana Sub, which holds an option to acquire a 100% legal and beneficial interest in the Soledad Project. Upon completion of the Transaction, the Issuer will become the Resulting Issuer.

At the Effective Time, the Transaction will be effected as follows:

- Chakana and Remo Sub will amalgamate and continue as one corporation under the BCBCA;
- each Chakana Shareholder will receive one post-Consolidation Remo Share in exchange for each Chakana Share held by such holder and the Chakana Shares will be cancelled;
- Remo will receive one Amalco Share in exchange for each Remo Sub Share and the Remo Sub Shares will be cancelled;
- in consideration for Remo’s issuance of post-Consolidation Remo Shares, Amalco will issue to Remo one Amalco Share for each post-Consolidation Remo Share issued by Remo to the Chakana Shareholders; and
- all of the property and assets of each of Remo Sub and Chakana will be the property and assets of Amalco and Amalco will be liable for all of the liabilities and obligations of each of Remo Sub and Chakana.

Chakana Warrants and Chakana Options

Upon completion of the Transaction, the Chakana Warrants and Chakana Options will cease to represent a right to acquire Chakana Shares and will provide the right to acquire post-Consolidation Remo Shares, all in accordance with the adjustment provisions provided in the certificates representing the Chakana Warrants and the Chakana Stock Option Plan.

Finder’s Fees

In connection with the Transaction, the Issuer will pay the Finder’s Fee of 200,000 post-Consolidation Remo Shares to an arm’s length finder at the Effective Time.

The Amalgamation Agreement

Effective October 5, 2017, the Issuer, Remo Sub and Chakana entered into the Amalgamation Agreement, which sets forth the terms of and provides for the implementation of the Transaction, as described above.

A summary of the principal terms of the Amalgamation Agreement is provided in this section. This summary does not purport to be complete and is qualified in its entirety by the full text of the Amalgamation Agreement which the Issuer has filed under its profile on SEDAR (www.sedar.com). The Amalgamation Agreement contains covenants, representations and warranties of and from each of the Issuer, Remo Sub and Chakana and various conditions precedent, both mutual and with respect to each party to the Amalgamation Agreement.

Representations, Warranties and Covenants of Remo and Remo Sub

The Amalgamation Agreement contains customary representations and warranties of the parties. The representations and warranties to be given by each of Remo and Remo Sub are appropriate and in-line with transactions of this nature in respect of matters pertaining to, among other things, its corporate existence and power, its capitalization, its authority to enter into and to perform its obligations under the Amalgamation Agreement, the non-violation of its contractual and other obligations in respect of its assets, its financial statements, the absence of any undisclosed liabilities, its status as a “reporting issuer” in the applicable jurisdictions, the absence of any undisclosed liabilities, the absence of material changes, its material contracts, its compliance with applicable laws, the absence of litigation matters, its licenses for carrying out its business, its good and marketable title to or valid interest in all of its assets and certain tax matters.

The Amalgamation Agreement also imposes certain obligations on Remo to, among other things, take all actions as are reasonably required to permit the completion of the Transaction and to make reasonable commercial efforts to satisfy all conditions precedent to closing in the Amalgamation Agreement to be satisfied by it as soon as practicable. In addition, the Amalgamation Agreement provides that Remo is prohibited from engaging in discussion or negotiations or entering into any agreement involving Remo which is similar to the Transaction without the written consent of Chakana.

Representations, Warranties and Covenants of Chakana and the Chakana Shareholders

The representations and warranties to be given by Chakana are customary and appropriate for transactions of this nature in respect of matters pertaining to, among other things, its corporate existence and power, its capitalization, its authority to enter into and to perform its obligations under the Amalgamation Agreement, the non-violation of its contractual and other obligations in respect of its assets, its financial statements, the absence of any undisclosed liabilities, the absence of material changes, its material contracts, its compliance with applicable laws, the absence of litigation matters, its licenses for carrying out its business, its interests in any real property, its good and marketable title to or valid leasehold interest in all of its assets, its ownership of its intellectual property and the rights to use the licensed intellectual property and certain tax matters.

The Amalgamation Agreement also imposes certain obligations on Chakana to, among other things, take all actions as are reasonably required to permit the completion of the Transaction and to make reasonable commercial efforts to satisfy all conditions precedent to closing in the Amalgamation Agreement to be satisfied by it as soon as practicable. In addition, the Amalgamation Agreement provides that Chakana is prohibited from engaging in discussion or negotiations or entering into any agreement involving Chakana which is similar to the Transaction without the written consent of Remo.

Conditions of Closing

The obligations of each of the parties to consummate the Transaction are subject to the satisfaction or waiver of certain conditions, including the following:

- shareholder approval of the Transaction by a special majority of Chakana Shareholders;
- shareholder approval of the Transaction by a majority of the disinterested Remo shareholders;
- the Transaction becoming effective on or prior to January 31, 2018;
- the Issuer and Chakana obtaining all necessary consents, orders and regulatory approvals, including the conditional approval of the Exchange subject only to customary conditions of closing;
- dissent rights not having been exercised by greater than 5% of the Chakana Shareholders;
- no material change occurring to the business of Remo, Remo Sub or Chakana;
- the Remo Warrants shall have been cancelled in accordance with their terms;

- the satisfaction of obligations under the Amalgamation Agreement relating to each of Remo, Remo Sub and Chakana; and
- the delivery by each of the parties of standard closing documents, including legal opinions.

Termination

The Amalgamation Agreement may be terminated in any of the following circumstances:

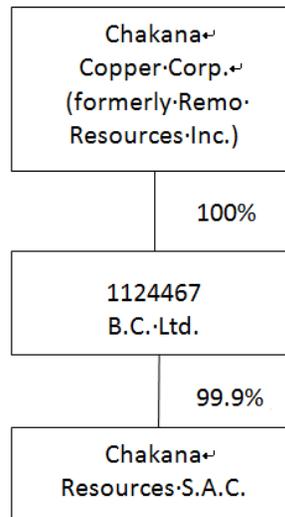
- at any time prior to the Effective Time by mutual written agreement of Remo and Chakana;
- by any party if the closing has not occurred on or before January 31, 2018, or such later date as may be agreed to by the Issuer and Chakana;
- by Remo, if there has been a material breach by Chakana of any representation, warrant, covenant or agreement set forth in the Amalgamation Agreement or any of the documents contemplated thereby, which breach Chakana fails to cure within ten (10) business days after written notice thereof is given by Remo; or
- by Chakana if there has been a material breach by Remo or RemoSub of any representation, warrant, covenant or agreement set forth in the Amalgamation Agreement or any of the documents contemplated thereby, which breach Remo or RemoSub, as applicable, fails to cure within ten (10) business days after written notice thereof is given by Chakana.

INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

The Resulting Issuer intends to change its name to “Chakana Copper Corp.” upon the Closing of the Transaction in accordance with its articles of incorporation and will continue to be incorporated under the BCBCA. The head office of the Resulting Issuer will be located at Suite 1430 – 800 West Pender Street, Vancouver, BC, V6C 2V6 and the registered and records office of the Resulting Issuer will be located at Suite 1500 – 1055 West Georgia Street, Vancouver, BC, V6E 4N7.

Following completion of the Transaction, Amalco will be a wholly owned subsidiary of the Resulting Issuer. Chakana’s 99.9% owned subsidiary, Chakana Sub, will also become an indirect subsidiary of the Resulting Issuer.



Narrative Description of the Business

After Closing of the Transaction, the Resulting Issuer will be a natural resource company engaged in the acquisition, development and operation of mineral properties, with its principal focus at this stage on the Soledad Project in Peru. The Resulting Issuer will be an exploration stage company with no producing properties and consequently no current operating income cash flow or revenues and will not provide any products or services to third parties. There is no assurance that a commercially viable mineral deposit exists at the Soledad Project.

See “Information Concerning Chakana – General Development of the Business” and “Information Concerning Chakana – Soledad Project”.

Stated Business Objectives

The Resulting Issuer expects to use its available working capital to finance the exploration and development of the Soledad Project, to identify, evaluate and acquire other economic mineral resource opportunities, pursue business development opportunities, and for general working capital.

The Resulting Issuer intends to conduct the recommended work program for the Soledad Project. See “Information Concerning Chakana – Soledad Project – Exploration” for additional information. The Resulting Issuer may, in the future, seek to complete additional property acquisitions.

Milestones

The principal milestones to execute the work program for the Soledad Project are approximately estimated as follows:

<u>Milestone</u>	<u>Target Date</u>	<u>Cost</u>
Complete 16,500m drill program on Breccia pipes 1, 5, 3, 6 with a view to establishing an initial inferred resource	December 2018	US\$3,596,000

Summary Pro Forma Financial Information

The following table sets out the pro forma financial information of the Resulting Issuer after giving effect to the Transaction and should be read in conjunction with the pro forma condensed consolidated financial statements of the Resulting Issuer attached as Schedule “E”.

	Remo Resources Inc. (as of June 30, 2017)	Chakana Copper Corp. (as of August 31, 2017)	Pro-Forma Adjustments	Pro-Forma Combined
	\$	\$	\$	\$
Current Assets	291,078	2,936,963	9,676,512	12,904,553
Total Assets	297,179	3,026,583	9,676,512	13,000,274
Current Liabilities	24,627	410,156	120,000	554,783
Shareholders' Equity	272,552	2,616,427	9,556,512	12,445,491
Total Liabilities and Shareholders' Equity	297,179	3,026,583	9,676,512	13,000,274

Description of the Securities

Common Shares

The authorized capital of the Resulting Issuer will consist of an unlimited number of common shares without par value. Upon Closing of the Transaction, the Resulting Issuer expects to have issued and outstanding 62,976,882 Resulting Issuer Shares, 12,940,124 Resulting Issuer Warrants and 3,635,000 Resulting Issuer Options. All share figures in this section titled “Information Concerning the Resulting Issuer” are presented on a post-Consolidation basis unless otherwise indicated.

The holders of Resulting Issuer Shares will be entitled to vote at all meetings of shareholders of the Resulting Issuer, to receive dividends if, as and when declared by the directors and, to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Resulting Issuer. The Resulting Issuer Shares will carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions, except as provided above. There will be no provisions requiring a holder of the Resulting Issuer Shares to contribute additional capital and no restrictions on the issuance of additional securities by the Resulting Issuer. There will be no restrictions on the repurchase or redemption of Resulting Issuer Shares by the Resulting Issuer except to the extent that any such repurchase or redemption would render the Resulting Issuer insolvent.

Warrants

Upon completion of the Transaction, the Chakana Warrants will become exercisable for Resulting Issuer Shares, and as a result the Resulting Issuer is expected to have 12,940,124 Resulting Issuer Warrants outstanding each exercisable to acquire one Resulting Issuer Share, as follows (a) 6,708,333 Resulting Issuer Warrants with an exercise price of \$0.05 per Resulting Issuer Share and expiring on April 7, 2018, (b) 900,000 Resulting Issuer Warrants with an exercise price of \$0.05 per Resulting Issuer Share and expiring on April 20, 2018, (c) 2,973,500 Resulting Issuer Warrants with an exercise price of \$0.60 per Resulting Issuer Share and expiring on December 29, 2018; (d) 230,551 Resulting Issuer Warrants with an exercise price of \$0.40 per Resulting Issuer Share and expiring on June 29, 2019; (e) 475,000 Resulting Issuer Warrants with an exercise price of \$0.60 per Resulting Issuer Share and expiring on January 17, 2019; (f) 66,500 Resulting Issuer Warrants with an exercise price of \$0.40 per Resulting Issuer Share and expiring on July 17, 2019; (g) 596,250 Resulting Issuer Warrants with an exercise price of \$0.60 per Resulting Issuer Share and expiring on January 28, 2019; (h) 172,300 Resulting Issuer Warrants with an exercise price of \$0.40 per Resulting Issuer Share and expiring on July 28, 2019; (i) 133,000 Resulting Issuer Warrants with an exercise price of \$0.50 per Resulting Issuer Share at any time prior to November 7, 2019; (j) 144,865 Resulting

Issuer Warrants with an exercise price of \$0.50 per Resulting Issuer Share at any time prior to November 9, 2019; and (k) 539,825 Resulting Issuer Warrants with an exercise price of \$0.50 per Resulting Issuer Share at any time prior to two years from the date of the deemed exercise of the Subscription Receipts.

Options to Purchase Securities

Following the closing of the Transaction, the Stock Option Plan will remain in effect. See “Information Concerning the Issuer – Stock Option Plan.” The shareholders of the Resulting Issuer may approve a resolution at a meeting of the shareholders of the Resulting Issuer adopting a new Stock Option Plan or amending the existing Stock Option Plan. Upon completion of the Transaction, the Chakana Options will become exercisable for Resulting Issuer Shares, and as a result the Resulting Issuer is expected to have 3,635,000 Resulting Issuer Options outstanding each exercisable to acquire one Resulting Issuer Share at an exercise price of \$0.40 per Resulting Issuer Share and expiring on September 14, 2022.

The following table sets forth all incentive Resulting Issuer Options expected to be held upon completion of the Transaction:

Persons who will hold Resulting Issuer Options (as a group)	Number of Resulting Issuer Shares Under Option	Purchase Price of Resulting Issuer Shares Under Option	Expiration Date
Executive officers	1,150,000	\$0.40	September 14, 2022
Directors (who are not also executive officers)	975,000	\$0.40	September 14, 2022
Consultants and Employees	1,510,000	\$0.40	September 14, 2022
Other	Nil	-	-
Total	3,635,000		

Pro Forma Consolidated Capitalization

The following table sets out the capitalization of the Resulting Issuer after giving effect to the Transaction:

Designation of Security	Amount authorized or to be authorized	Amount outstanding after giving effect to the Transaction
Common Shares	Unlimited	62,976,882 ⁽¹⁾⁽²⁾
Loan Capital	N/A	-

Notes:

- (1) On an undiluted basis. Does not include the 12,940,124 Resulting Issuer Shares reserved for issuance upon exercise of the Resulting Issuer Warrants and the 3,635,000 Resulting Issuer Shares reserved for issuance upon exercise of the Resulting Issuer Options. See “Information Concerning the Resulting Issuer – Fully Diluted Share Capital.”
- (2) As at August 31, 2017, and after giving effect to the Transaction, the Resulting Issuer has a pro forma consolidated deficit of \$(2,743,402).

Fully Diluted Share Capital

The following table states the fully diluted share capital of the Resulting Issuer after giving effect to the Transaction:

Description of Security	Number of Securities (#)	Percentage of Total
Remo Shares issued as at the date of this Filing Statement (on a post-Consolidation basis)	1,300,000	1.62%
Resulting Issuer Shares to be issued to Chakana Shareholders pursuant to the Transaction, excluding the Chakana Shares issued under the Financings	41,476,882	51.8%
Resulting Issuer Shares to be issued pursuant to the Transaction in exchange for Chakana Shares issued under the Financings	20,000,000	25.0%
Resulting Issuer Shares to be issued in payment of the Finder's Fee upon Closing	200,000	0.25%
Resulting Issuer Shares to be reserved for issuance upon exercise of Chakana Warrants, other than Chakana Broker Warrants	11,653,083	14.55%
Resulting Issuer Shares to be reserved for issuance upon exercise of Chakana Broker Warrants	1,287,041	1.61%
Resulting Issuer Shares to be reserved for issuance upon exercise of Chakana Options	3,635,000	4.54%
Resulting Issuer Shares to be reserved for issuance pursuant to the Mining Assignment and Option Agreement	500,000	0.62%
Total	80,052,006	100%

Available Funds and Principal Purposes

As of October 31, 2017, and after giving effect to the Transaction, the Resulting Issuer will have an estimated working capital of C\$10,392,389. It is the Resulting Issuer's intention to use these funds to fund operations after the Closing of the Transaction as follows:

<i>Use of Available Funds</i>	
Soledad Project Work Program	C\$3,295,000
Contingency relating to the Soledad Project	C\$395,400
Property payments	C\$94,000
General and administrative costs	C\$1,589,000
Estimated costs to complete the Transaction	C\$105,000

Unallocated working capital	C\$4,913,989
Total	C\$10,392,389

Notes:

(1) General and administrative expenses are expected to consist of salaries, consulting fees, listing fees, transfer agent fees, audit fees, legal fees, office rent and other miscellaneous expenses.

The Resulting Issuer's working capital will be sufficient to fund its planned operations for at least the next twelve months, including funding for the current work program for the Soledad Project.

Pending utilisation of the available funds, the Resulting Issuer intends to invest the funds in short term, interest bearing instruments.

The Resulting Issuer intends to use the available funds as indicated above. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Dividends

The Resulting Issuer does not currently intend to declare any dividends payable to the holders of the Resulting Issuer Shares. The Resulting Issuer has no restrictions on paying dividends, but if the Resulting Issuer generates earnings in the foreseeable future, it expects that they will be retained to finance growth, if any. The directors of the Resulting Issuer will determine if and when dividends should be declared and paid in the future based upon the Resulting Issuer's financial position at the relevant time. All of the Resulting Issuer Shares are entitled to an equal share in any dividends declared and paid.

Principal Securityholders

To the knowledge of the Issuer's directors and senior officers, upon completion of the Transaction, no person is anticipated to own of record or beneficially, directly or indirectly, or exercise control or direction over, Resulting Issuer Shares carrying more than 10% of all voting rights attached to the outstanding Resulting Issuer Shares.

Directors, Officers and Promoters

The following table sets out the name, municipality and province of residence, position with the Resulting Issuer, current principal occupation, period during which served as a director, and the number and percentage of Resulting Issuer Shares which will be beneficially owned, directly or indirectly, or over which control or direction is proposed to be exercised, by each of the Resulting Issuer's directors and officers following completion of the Transaction.

Name, Municipality of Residence and Proposed Position with the Resulting Issuer	Principal Occupation During Last Five Years	Director of Remo/Chakana Since	Anticipated Number and Percentage of Resulting Issuer Shares owned or controlled on completion of the Transaction ⁽¹⁾
David Kelley Golden, CO CEO, President and Director	General Manager Exploration – Americas for MMG Limited (May 2017 to November 2016)	Director of Chakana since February 2017	4,000,000 (6.4%) ⁽²⁾
Douglas J. Kirwin Muang Ake, Thailand Chairman and Director	Self-Employed Consultant (May 2011 to present); Executive Vice-President of Ivanhoe Mines (May 1997 to April 2011)	Director of Chakana since February 2017	3,000,000 (4.8%) ⁽³⁾

Name, Municipality of Residence and Proposed Position with the Resulting Issuer	Principal Occupation During Last Five Years	Director of Remo/Chakana Since	Anticipated Number and Percentage of Resulting Issuer Shares owned or controlled on completion of the Transaction ⁽¹⁾
John Black Castle Rock, CO Director	Economic Geologist	Director of Chakana since September 2017	82,500 (0.1%) ⁽⁴⁾
Darren Devine Vancouver, BC Director	Principal of CDM Capital Partners (2011 to present); President Chelmer Consulting Corp (2005 to present)	Director of Chakana since February 2017	518,290 (0.8%) ⁽⁵⁾
Thomas E. Wharton, Jr. Omaha, NE Director	President of Wharton Consulting (August 2007 to present)	Director of Chakana since December 2016	5,000,001 (7.9%) ⁽⁶⁾
Kevin Ma Vancouver, BC CFO and Corporate Secretary	CFO of Chakana (July 2016 to present); Principal of Skanderbeg Financial Advisory Inc. (a private company) (September 2015 to Present); CFO of Kenadyr Mining (Holdings) Corp. (March 2017 to Present); CFO First Cobalt Corp. (December 2016 to present); former CFO of Gatekeeper Systems Inc. (October 2013 – October 2015); former Director of Finance of Alexco Resource Corp. (May 2008 to September 2013)	N/A	500,000 (0.8%) ⁽⁷⁾

Notes:

- (1) On an undiluted basis.
- (2) In addition, Mr. Kelley will hold 1,000,000 Resulting Issuer Options exercisable to acquire 1,000,000 Resulting Issuer Shares at an exercise price of \$0.40 per share at any time prior to September 14, 2022.
- (3) In addition, Mr. Kirwin will hold 300,000 Resulting Issuer Options exercisable to acquire 300,000 Resulting Issuer Shares at an exercise price of \$0.40 per share at any time prior to September 14, 2022.
- (4) In addition, Mr. Black will hold 41,250 Resulting Issuer Warrants exercisable to acquire 41,250 Resulting Issuer Shares at an exercise price of \$0.60 per share at any time prior to December 29, 2018 and 225,000 Resulting Issuer Options exercisable to acquire 225,000 Resulting Issuer Shares at an exercise price of \$0.40 per share at any time prior to September 14, 2022.
- (5) In addition, Mr. Devine will hold 125,000 Resulting Issuer Warrants exercisable to acquire 125,000 Resulting Issuer Shares at an exercise price of \$0.05 per share at any time prior to April 7, 2018 and 225,000 Resulting Issuer Options exercisable to acquire 225,000 Resulting Issuer Shares at an exercise price of \$0.40 per share at any time prior to September 14, 2022.
- (6) In addition, Mr. Wharton will hold 1,454,334 Resulting Issuer Warrants exercisable to acquire 1,454,334 Resulting Issuer Shares at an exercise price of \$0.05 per share at any time prior to April 7, 2018 and 225,000 Resulting Issuer Options exercisable to acquire 225,000 Resulting Issuer Shares at an exercise price of \$0.40 per share at any time prior to September 14, 2022.
- (7) These shares are held by Mr. Ma's spouse. In addition, Mr. Ma will hold 150,000 Resulting Issuer Options exercisable to acquire 150,000 Resulting Issuer Shares at an exercise price of \$0.40 per share at any time prior to September 14, 2022.

On Closing of the Transaction, the directors and officers of the Resulting Issuer as a group will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 13,101,421 Resulting Issuer Shares, representing 20.8% of the issued and outstanding Resulting Issuer Shares (on an undiluted basis). Each director's term of office will expire at the next annual meeting of the shareholders unless re-elected at such meeting.

The Resulting Issuer's Audit Committee will be made up of Thomas E. Wharton, Jr. (chair), David Kelley and Darren Devine and the Resulting Issuer's Compensation Committee will be made up of Darren Devine (chair), Thomas E. Wharton, Jr. and Douglas J. Kirwin. There are no other committees of the Board being contemplated at this time.

The directors and officers will devote their time and expertise as required by the Resulting Issuer, however, it is not anticipated that any director or officer will devote 100% of their time to the activities of the Resulting Issuer. All of the Resulting Issuer's directors and officers will be engaged as independent contractors. See also "Management" below.

Biographies

Additional biographic information about the proposed directors and officers of the Resulting Issuer is provided below.

David Kelley, Age 54– Chief Executive Officer, President and Director

Mr. Kelley is an economic geologist and exploration geochemist with more than 25 years of international exploration experience throughout the Americas, Central Asia and Australasia. Most recently David was responsible for developing the exploration program at Las Bambas for MMG as the General Manager Exploration - Americas. Prior to this he worked for Oz Minerals, Zinifex, Newmont, WMC, BHP Westmont Mining and Gold Standard. He was directly involved in the discovery of the Zuun Mod Mo-Cu deposit in Mongolia, the Wayamaga Au deposit in French Guiana, and the High Lake East VHMS deposit in Nunavut. He obtained a B.Sc. degree in geology from Colorado State University in 1985 and an M.Sc. degree in geology/geochemistry from the Colorado School of Mines in 1989. He is a past President of both the Society of Economic Geologists Foundation and the Association of Applied Geochemists.

Douglas J. Kirwin, Age 66 – Chairman and Director

Mr. Kirwin is an independent geologist with 45 years of international exploration experience. He held senior positions with Anglo American and Amax during the 1970's and was Managing Director of a successful international geological consulting firm during the 1980's and early 1990's. In 1995 he accepted a role as vice president, exploration for Indochina Goldfields and subsequently became the executive vice president for Ivanhoe Mines Limited until 2012 after which Ivanhoe was acquired by Rio Tinto. Mr. Kirwin was also a director of South Gobi Energy, Jinshan Gold and a founding non-executive director of Ivanhoe Australia Ltd. And an adjunct professor at James Cook University, Australia.

As a member of the joint discovery team for the Hugo Dummett deposit at Oyu Tolgoi in Mongolia, he was a co-recipient of the PDAC inaugural Thayer Lindsley medal awarded for the most significant international mineral discovery in 2004. Other mineral discoveries made by Mr. Kirwin's exploration team include the Jelai-Mewet and Seryung epithermal deposits in north east Kalimantan, the Eunsan-Moisan gold mines in South Korea, the Moditaung gold deposits in Myanmar and the Merlin Re-Mo deposit in Australia.

John Black, Age 57 – Director

Mr. Black is an economic geologist with more than 30 years of exploration experience in the Americas, Central Asia, the SW Pacific, and Eastern Europe/Western Asia. He first worked in South America in 1993 and has been actively involved in mineral exploration throughout the continent for several companies since that time. Mr. Black was the founding President of Antares Minerals Inc. and was instrumental in acquiring the Haqira project in Peru for Antares. He was the key driver in negotiating the sale of Antares to First Quantum Minerals for C\$650 million. Mr. Black's early career included work with Bear Creek Mining Company, Kennecott Minerals Corporation, Rio

Tinto and Western Mining Corporation and he currently serves as a Director or Technical Advisor for several private and public exploration companies.

His professional credentials include a B.Sc. degree in Geology from Stanford University in 1983 and an M.S. degree in Geology – Ore Deposits Exploration from the same University in 1988.

Darren Devine, Age 49 – Director

Mr. Devine is the principal of CDM Capital Partners, a firm that provides corporate finance advisory services to private and public companies. Mr. Devine also acts as a director and/or officer to a number of junior public companies in the natural resource and technology sectors. In addition, he is currently an active member of the TSX Venture Exchange's Local Advisory Committee. Mr. Devine is qualified as a barrister and solicitor in British Columbia and in England & Wales and prior to founding CDM Capital Partners, practiced exclusively in the areas of corporate finance and securities law.

Thomas E. Wharton, Jr., Age 56– Director

Mr. Wharton has over 30 years of experience in the development, marketing, management, financing, and the sale of early stage companies. Since January 2011 Mr. Wharton has been the Investment Manager for Saint Thomas Capital Partners, evaluating and managing investments in the areas of junior mining, oil & gas, and business to business technology services. Mr. Wharton has had integral experience working with all aspects of public and private companies in both junior exploration and mining and is a Director of Ely Gold, Dolly Varden Silver and Angel Gold.

Mr. Wharton received a Bachelor's degree in Business Administration from Creighton University in 1983 and began his career at Bozell & Jacob's Advertising. In 1988 Tom was promoted to Bozell's Business to Business New York Advertising division Poppe Tyson where he advanced to CFO and CIO in 1992. While CIO at Poppe Tyson, Mr. Wharton co-founded, managed, and was a Director for Poppe's ad sales network, Doubleclick Inc. where he assisted in its early management and initial financing. DoubleClick is now owned by Google.

From 1998 to 2011 Mr. Wharton was an independent consultant offering "startup" consulting services or equity capital financing to various developing internet companies including Vente Inc and Cheetamail Inc., which were purchased by Experian, and Tracentrix Inc., which was purchased by Ruesch International.

Kevin Ma, Age 37 – CFO and Corporate Secretary

Mr. Ma is a principal and the founder of Skanderbeg Financial Advisory Inc., which serves public and private companies in a financial executive capacity as they go public and/or during their high growth phases. Selected Skanderbeg's clients include First Cobalt Corp. and Kenadyr Mining (Holdings) Corp. Mr. Ma was the Director of Finance for Alexco Resource Corp. at the time it developed and subsequently operated a silver mine in the Yukon, Canada. From 2005 to 2008 Mr. Ma was the Audit Manager for Deloitte & Touche, LLP. Selected clients included First Majestic Silver, Uranium One and Extreme CCTV. Mr. Ma is a Chartered Professional Accountant certified by the Chartered Professional Accountants of British Columbia, and holds a Diploma in Accounting and a Bachelor of Arts degree from the University of British Columbia.

Corporate Cease Trade Orders or Bankruptcies

Except as set out below, as at the date of this Filing Statement and within the ten years before the date of this Filing Statement, no director, officer or promoter of the Resulting Issuer is or has been a director, officer or promoter of any person or company (including the Resulting Issuer), that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

- (b) 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.

Penalties or Sanctions

No proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has:

- (a) been the subject of any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

Personal Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of such persons, has, within the past ten years, 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 that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Resulting Issuer holding positions as directors or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies under the BCBCA or other applicable corporate legislation.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoters of the Resulting Issuer that are, or have been within the last ten years, directors, officers or promoters of other reporting issuers:

<u>Name</u>	<u>Name and Jurisdiction of Reporting Issuer</u>	<u>Market Traded On</u>	<u>Position</u>	<u>From</u>	<u>To</u>
Douglas J. Kirwin	Kenadyr Mining (Holdings) Corp.	TSX-V	Director	March 2017	Present
	K92 Mining Inc.	TSX-V	President/Director	October 2016	Present
	Tirex Resources Ltd.	TSX-V	Director	October 2007	Present
	Parkit Enterprise Inc.	TSX-V	Director	October 2009	January 2013
	Secova Metals Corp.	TSX-V	Director	May 2007	June 2010
	IDM Mining Ltd.	TSX-V	Director	April 2010	October 2011
	Kermode Resources Ltd.	TSX-V	Director	January 2007	July 2009
Darren Devine	Dolly Varden Silver Corp.	TSX-V	Director	August 2016	Present
	TrackX Holdings Inc.	TSX-V	Director	May 2016	Present
	Ethos Gold Corp.	TSX-V	Director	June 2015	Present
	Petro Vista Energy Corp.	TSX-V	President, CEO Corporate Secretary and Director	April 2006	Present
	Woodrose Venture Corp.	TSX-V	President, CEO	November 2012	October 2017

Name	Name and Jurisdiction of Reporting Issuer	Market Traded On	Position	From	To
			and Director		
	Azincourt Uranium Inc.	TSX-V	Corp Secretary	February 2012	August 2017
	Remo Resources Inc.	TSX-V	Director	May 2011	May 2017
	Gonzaga Resources Ltd.	TSX-V	CFO, Director	March 2011	April 2017
	Compass Gold Corp.	TSX-V	Corp Secretary	October 2009	May 2017
	Otterburn Resources Corp.	TSX-V	Director	November 2010	May 2016
	Cairo Resources Inc.	TSX-V	Director	August 2014	April 2016
	Oculus Ventures Corp.	TSX-V	Director	March 2011	July 2014
	Dejour Enterprises Ltd.	TSX	Director	December 2009	April 2013
	Titan Uranium Inc.	TSX-V	Director	April 2005	July 2009
	Centric Energy Corp.	TSX-V	Director	October 2005	February 2011
	Actus Minerals Corp.	TSX-V	Corp Secretary	October 2006	November 2010
	Crazy Horse Resources Inc.	TSX-V	President, CEO, Director	May 2007	July 2011
	Galena Capital Corp.	TSX-V	Director, Corp Secretary	November 2007	September 2009
	Wedge Energy International Inc.	CSE	Director	January 2010	November 2010
Kevin Ma	Kenadyr Mining (Holdings) Corp.	TSX-V	CFO	March 2017	Present
	First Cobalt Corp.	TSX-V	CFO	December 2016	Present
	Acana Capital Corp.	CSE	Director	August 2017	Present
	Molori Energy Inc..	TSX-V	Director	April 2016	Present
	StartMonday Technology Corp.	CSE	Director	September 2016	March 2017
	Carl Data Solutions Inc.	CSE	Director	October 2015	Present
	Gatekeeper Systems Inc.	TSX-V	CFO	October 2013	October 2015
	Alexco Resource Corp.	TSX	Director of Finance	May 2008	September 2013
John Black	Regulus Resources Inc.	TSX-V	CEO, Director	December 2010	Present
	Candente Copper Corp.	TSX-V	Director	January 2011	Present
	Antares Minerals Inc.	TSX-V	CEO, Director	April 2004	December 2010
Thomas E. Wharton, Jr.	Ely Gold Royalties Inc.	TSX-V	Director	November 2015	Present
	Dolly Varden Silver Corporation	TSX-V	Director	July 2015	Present
	Angel Gold Corp.	TSX-V	Director	August 2012	Present
	DV Resources Ltd.	TSX-V	CEO, Director	August 2014	May, 2017
	Big Cat Energy Corporation	Nasdaq	Director	June 2007	September 2010

Executive Compensation

For the purposes of this section Named Executive Officers (“NEO”) are the proposed Chief Executive Officer of the Resulting Issuer and each of the four most highly compensated executive officers who are proposed to serve as executive officers of the Resulting Issuer for the 12 month period following the Transaction. Based on the above criteria, the only NEOs for the Resulting Issuer are expected to be David Kelley (CEO and President) and Kevin Ma (CFO and Corporate Secretary) for the 12 month period after giving effect to the Transaction:

Compensation Discussion and Analysis

The Resulting Issuer’s Compensation Committee will be made up of Darren Devine (chair), Thomas E. Wharton, Jr. and Douglas J. Kirwin.

The directors will, based on the recommendations of the Compensation Committee, develop the appropriate compensation policies for both the employees of the Corporation and the directors of the Resulting Issuer .To

determine appropriate compensation levels, the Compensation Committee and the directors will review compensation paid for directors and officers of companies of similar size and stage of development in mining industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Resulting Issuer.

When determining compensation policies and individual compensation levels for the Resulting Issuer's executive officers a variety of factors will be considered, including: the overall financial and operating performance of the Resulting Issuer, each executive officer's individual performance and contribution towards meeting corporate objectives, each executive officer's level of responsibility and length of service and industry comparables.

The Resulting Issuer's compensation philosophy for its executive officers will follow three underlying principles: to provide compensation packages that encourage and motivate performance; to be competitive with other companies in the industry in which it operates, so as to attract and retain talented executives; and to align the interests of its executive officers with the long-term interests of the Resulting Issuer and its shareholders through stock related programs.

Stock option grants will be used to align executive interests with those of shareholders and will be based on the executive's performance, level of responsibility, as well as the number and exercise price of options previously issued to the executive his overall aggregate total compensation package. It is anticipated that the Resulting Issuer will grant stock options to its directors and officers following completion of the Transaction and at the discretion of the Board of Directors of the Resulting Issuer.

Summary Compensation Table

The following table outlines the anticipated compensation to be paid to each of the NEOs for the 12 month period after giving effect to the Transaction.

Name and principal position	Salaries & fees \$	Share-based awards \$	Option-based awards \$	Non-equity incentive plan compensation		Pension value \$	All other compensation \$	Total compensation \$
				Annual incentive plans \$	Long-term incentive plans \$			
David Kelley CEO and President	185,659 ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	185,659 ⁽¹⁾
Kevin Ma CFO and Corporate Secretary	72,000	Nil	Nil	Nil	Nil	Nil	Nil	72,000

Notes:

(1) USD\$144,000 converted to Canadian dollars using the Bank of Canada daily exchange rate for October 31, 2017 of US\$1.00 — \$1.2893.

Options Granted to Executive Officers

The Resulting Issuer may, in the discretion of the Board of Directors, grant options from time to time to current and incoming executive officers.

Termination of Employment, Change in Responsibilities and Employment Contracts

The Resulting Issuer will have no contracts, agreements, plans or arrangements that provide for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Resulting Issuer or a change in an NEO's responsibilities.

Compensation of Directors

Each non-executive director of the Resulting Issuer will also be entitled to receive stock option grants from time to time at the discretion of the Resulting Issuer Board of Directors. Directors of the Resulting Issuer will be reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings of the Board of Directors, committees of the Board of Directors or meetings of the shareholders of the Resulting Issuer

It is anticipated that the Resulting Issuer will obtain customary insurance for the benefit of its directors.

Indebtedness of Directors and Officers

No director or officer of the Issuer, nor any proposed director or officer of the Resulting Issuer, is or has been indebted to the Issuer at any time.

Investor Relations Arrangements

No written or oral agreement has been reached with any person to provide promotional or investor relations activities for the Resulting Issuer.

Escrowed Securities

Escrow

The following table lists the Principals of the Resulting Issuer that will be holders of Escrow Securities, the number of Escrow Securities, and the percentage of securities held in escrow by each person who will be a holder of Escrow Securities after the Closing of the Transaction.

<u>Name and Municipality of Residence of Securityholder</u>	<u>Designation of Class</u>	<u>After Giving Effect to the Transaction</u>	
		<u>Number of Securities to be Held in Escrow⁽¹⁾</u>	<u>Percentage of Class⁽²⁾</u>
David Kelley Golden, CO	Common Shares	4,000,000	6.3%
	Options	1,000,000	27.5%
Douglas J. Kirwin Muang Ake, Thailand	Common Shares	3,000,000	4.7%
	Options	300,000	8.25%
John Black Castle Rock, CO	Common Shares	82,500	0.1%
	Warrants	41,250	0.3%
	Options	225,000	6.2%
Darren Devine Vancouver, BC	Common Shares	500,000	0.8%
	Warrants	125,000	1.0%
	Options	225,000	6.2%
Thomas E. Wharton, Jr. Omaha, NE	Common Shares	5,000,001	8.0%
	Warrants	1,454,334	11.2%
	Options	225,000	6.2%

Name and Municipality of Residence of Securityholder	Designation of Class	After Giving Effect to the Transaction	
		Number of Securities to be Held in Escrow ⁽¹⁾	Percentage of Class ⁽²⁾
Kevin Ma Vancouver, B.C.	Common Shares ⁽³⁾	500,000	0.8%
	Options	150,000	4.1%
Total		13,082,501 Common Shares	20.8%
		1,620,584 Warrants	12.5%
		2,125,000 Options	58.5%

Notes:

- (1) Pursuant to the terms of the Escrow Agreement, 10% of the Escrow Securities will be released upon the date of issuance of the Final Exchange Bulletin respecting the Transaction.
- (2) On an undiluted basis.
- (3) Includes Common Shares held in the name of Mr. Ma's spouse.

The Escrow Securities will be held pursuant to the Escrow Agreement. There are expected to be 16,828,085 Escrow Securities (13,082,501 Resulting Issuer Shares, 1,620,584 Resulting Issuer Warrants and 2,125,000 Resulting Issuer Options) held in escrow. At the time of Closing of the Transaction, it is expected that each of the persons listed in the table above will hold Resulting Issuer Shares subject to escrow in the amount listed beside such persons name.

The release provisions for the Escrow Securities will depend on the results of the Exchange's review. If the Escrow Securities are determined to be Value Securities as defined in Exchange policies, it is expected that the Escrow Securities will be subject to the release schedule set out in "Schedule B(2) – Tier 2 Value Security Escrow Agreement" of Exchange Form 5D, which provides for release of 10% of the securities on the date of the Final Exchange Bulletin, and release of an additional 15% every 6 months thereafter, until all of the Transaction Escrowed Securities have been released (36 months following the Final Exchange Bulletin). If, however, the Escrow Securities are determined to be Surplus Securities as defined in Exchange policies, it is expected that the Escrow Securities will be subject to the release schedule set out in "Schedule B(4) – Tier 2 Surplus Security Escrow Agreement" of Exchange Form 5D, which provides for release of 5% of the securities on the date of the Final Exchange Bulletin, an additional 5% 6 months thereafter, an additional 10% 12 months and 18 months thereafter, an additional 15% 24 months and 30 months thereafter, and an additional 40% 36 months thereafter, until all of the Escrow Securities have been released (36 months following the Final Exchange Bulletin).

The Escrow Agreement provides that the Escrow Securities are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior written consent of the Exchange. In the event of the bankruptcy of an escrowed shareholder, provided the Exchange does not object, the Escrow Securities held by such escrowed shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the Escrow Securities which shares will remain in escrow subject to the escrow agreement. In the event of the death of an escrow shareholder, provided the Exchange does not object, the Escrow Securities held by the escrowed shareholder will be released from escrow.

Seed Share Resale Restrictions

Certain securities of the Resulting Issuer may be subject to hold periods pursuant to the Exchange imposed seed share resale restrictions ("SSRRs"). SSRRs are Exchange hold periods of various lengths which apply where seed shares are issued to non-Principals by private companies prior to the completion of certain transactions and initial listings. The terms of SSRRs are based on the length of time such securities have been held and the price at which such securities were issued. It is anticipated that pursuant to SSRR:

- (a) 7,250,000 Resulting Issuer Shares issued in exchange for Chakana Shares pursuant to the Transaction and held by non-Principals will be subject to Exchange value security escrow, on the same terms as the Escrow Securities described above under “Escrow”;
- (b) 6,028,999 Resulting Issuer Shares issuable upon exercise of Chakana Warrants pursuant to the Transaction and held by non-Principals will be subject to Exchange value security escrow, on the same terms as the Escrow Securities described above under “Escrow”;
- (c) 12,966,666 Resulting Issuer Shares issued in exchange for Chakana Shares pursuant to the Transaction and held by non-Principals will be subject to resale restrictions over a period of two years, and will be released at a rate of 20% every six months, with the first release occurring upon the date of issuance of the Final Exchange Bulletin respecting the Transaction; and
- (d) 469,351 Resulting Issuer Shares issuable upon exercise of Chakana Warrants pursuant to the Transaction and held by non-Principals will be subject to resale restrictions over a period of four months, and will be released at a rate of 20% every month, with the first release occurring upon the date of issuance of the Final Exchange Bulletin respecting the Transaction.

Auditor, Transfer Agent and Registrar

The Resulting Issuer anticipates that the transfer agent and registrar for the Resulting Issuer will be TSX Trust Company at its offices in Vancouver, British Columbia. Transfers may be recorded in Vancouver, British Columbia.

Upon completion of the Transaction, it is intended that the Resulting Issuer’s auditors will be D&H Group LLP, Chartered Professional Accountants of 10th Floor, 1333 West Broadway, Vancouver, BC, V6H 4C1

GENERAL MATTERS

Sponsorship

The Exchange has provided the Issuer with a waiver from the requirement to obtain a sponsor in connection with the transactions contemplated herein.

Experts

The following is a list of persons or companies whose profession or business gives authority to a statement made by a person or company named in this Filing Statement as having prepared or certified a part of that document or report described in the Filing Statement:

- (a) Charlton & Company, Chartered Professional Accountants, auditors of the Issuer;
- (b) D&H Group LLP, auditors of Chakana; and
- (c) Jerry Blackwell, P Geo., author of the Technical Report.

As of the date hereof, Charlton & Company, Chartered Professional Accountants, has advised that they are independent with respect to the Issuer and D&H Group LLP has advised that they are independent with respect to Chakana within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

To the knowledge of management of the Issuer, as of the date hereof, no expert, nor any Associate or Affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Issuer, Chakana or the Resulting Issuer or of an Associate or Affiliate of any of them, and no such person is expected to be elected,

appointed or employed as a director, senior officer or employee of the Resulting Issuer or of an Associate or Affiliate thereof.

Other Material Facts

To management's knowledge, there are no other material facts relating to the Transaction that are not otherwise disclosed in this Filing Statement or are necessary for the Filing Statement to contain full, true and plain disclosure of all material facts relating to the Transaction.

Board Approval

The Board of Directors of the Issuer has approved the contents of this Filing Statement.

CERTIFICATE OF THE ISSUER

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of the Issuer assuming completion of the Transaction.

“Stephen Kenwood”
Stephen Kenwood, President and CEO

“Vivien Chuang”
Vivien Chuang, CFO

ON BEHALF OF THE BOARD OF DIRECTORS

“Gary Freeman”
Gary Freeman, Director

“Keith Henderson”
Keith Henderson, Director

CERTIFICATE OF CHAKANA

The foregoing as it relates to Chakana, constitutes full, true and plain disclosure of all material facts relating to the securities of Chakana.

“David Kelley”
David Kelley, President and CEO

“Kevin Ma”
Kevin Ma, CFO

ON BEHALF OF THE BOARD OF DIRECTORS

“Thomas E. Wharton, Jr.”
Thomas E. Wharton, Jr., Director

“Darren Devine”
Darren Devine, Director

SCHEDULE "A"

Annual audited financial statements of the Issuer for the years ended March 31, 2017 and 2016 and interim financial statements of the Issuer for the three months ended June 30, 2017 and 2016

See attached documents

REMO RESOURCES INC.

(An Exploration Stage Company)

Financial Statements

For the Years Ended March 31, 2017 and 2016

(Expressed in Canadian Dollars)



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555 BURRARD STREET
BOX 243
VANCOUVER, BC V7X 1M9

charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Remo Resources Inc.

We have audited the accompanying financial statements of Remo Resources Inc., which comprise the statements of financial position as at March 31, 2017 and 2016 and the statements of loss and comprehensive loss, changes in equity and cash flows for the years ended March 31, 2017 and 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Remo Resources Inc. as at March 31, 2017 and 2016, and its financial performance and cash flows for the years ended March 31, 2017 and 2016 in accordance with International Financial Reporting Standards.

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charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

Emphasis of Matters

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Charlton & Company
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia
June 28, 2017

REMO RESOURCES INC.
(An Exploration Stage Company)
Statements of Financial Position
As at March 31, 2017 and 2016
In Canadian Dollars

	2017	2016
Assets		
Current Assets		
Cash	\$ 299,332	\$ 343,467
GST recoverable	528	609
Tax receivable (Note 4(c))	1,555	-
Prepaid expenses	-	3,349
	301,415	347,425
Mineral property (Note 4(b))	6,101	6,101
TOTAL ASSETS	\$ 307,516	\$ 353,526
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 10,732	\$ 8,813
Shareholders' Equity		
Share capital (Note 5)	805,908	805,908
Reserves (Note 5)	138,641	138,641
Deficit	(647,765)	(599,836)
	296,784	344,713
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 307,516	\$ 353,526

Nature of operations and continuance of business (Note 1)

Approved by the Board of Directors:

"Stephen Kenwood"

Stephen Kenwood, Director

"Gary Freeman"

Gary Freeman, Director

(The accompanying notes are an integral part of these financial statements)

REMO RESOURCES INC.
(An Exploration Stage Company)
Statements of Loss and Comprehensive Loss
For the Years Ended March 31, 2017 and 2016
In Canadian Dollars

	2017	2016
Expenses		
Audit and accounting (Note 8)	\$ 20,550	\$ 23,175
Exploration and evaluation costs (Note 4(c))	5,822	2,000
Filing and transfer agent fees	10,629	13,633
General and administrative (Note 8)	9,836	15,666
Legal	1,092	11,395
Rent (Note 8)	-	5,500
	<u>47,929</u>	<u>71,369</u>
Write-down of mineral property (Note 4(b))	-	5,664
Net loss and comprehensive loss for the year	\$ 47,929	\$ 77,033
Loss per common share, basic and diluted	\$ 0.01	\$ 0.01
Weighted average common shares outstanding	8,925,000	8,925,000

(The accompanying notes are an integral part of these financial statements)

REMO RESOURCES INC.
(An Exploration Stage Company)
Statement of Cash Flows
For the Years Ended March 31, 2017 and 2016
In Canadian Dollars

	2017	2016
Cash provided by (used in):		
Operating activities		
Net loss for the year	\$ (47,929)	\$ (77,033)
Items not affecting cash:		
Write-down of mineral property	-	5,664
Changes in non-cash operating working capital:		
GST recoverable	81	110
Tax receivable	(1,555)	-
Prepaid expenses	3,349	-
Accounts payable and accrued liabilities	1,919	93
	<u>(44,135)</u>	<u>(71,166)</u>
Decrease in cash	(44,135)	(71,166)
Cash, beginning of year	343,467	414,633
Cash, end of year	\$ 299,332	\$ 343,467
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

There were no significant non-cash transactions excluded from the statement of cash flows for the years ended March 31, 2017 and 2016.

(The accompanying notes are an integral part of these financial statements)

REMO RESOURCES INC.
(An Exploration Stage Company)
Statement of Changes in Equity
For the Years Ended March 31, 2017 and 2016
In Canadian Dollars

	Share Capital		Reserves			Total \$
	Shares	Amount \$	Options \$	Warrants \$	Deficit \$	
Balance, March 31, 2015	8,925,000	805,908	34,105	104,536	(522,803)	421,746
Net loss and comprehensive loss for the year	-	-	-	-	(77,033)	(77,033)
Balance, March 31, 2016	8,925,000	805,908	34,105	104,536	(599,836)	344,713
Net loss and comprehensive loss for the year	-	-	-	-	(47,929)	(47,929)
Balance, March 31, 2017	8,925,000	805,908	34,105	104,536	(647,765)	296,784

(The accompanying notes are an integral part of these financial statements)

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

1. Nature of Operations and Continuance of Business

Remo Resources Inc. (the "Company") was incorporated on May 2, 2011, under the laws of the province of British Columbia, Canada, and changed its name from Hadrian Resources Inc. on August 4, 2011. Its principal activity is the acquisition and exploration of mineral properties in Canada. The head office, principal address and records office of the Company are located at 800 West Pender Street, Suite 1430, Vancouver, British Columbia, Canada.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. Several conditions discussed below cast substantial doubt regarding this assumption. The Company has no operating revenue and has an accumulated deficit of \$647,765 as at March 31, 2017 (2016 - \$599,836). The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations, exploration, and development activities and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

2. Basis of Presentation

(a) Statement of Compliance

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

The accounting policies set out in Note 3 have been applied consistently by the Company during the current year.

(b) Approval of the Financial Statements

The financial statements of Remo Resources Inc. for year ended March 31, 2017 were approved and authorized for issue by the Board of Directors on June 28, 2017.

(c) Basis of Measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared, except for cash flow information, using the accrual basis of accounting.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

2. Basis of Presentation (continued)

(d) Critical accounting judgements and estimates

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimates used include, among others, the amounts recorded for the recoverability and impairment of mineral properties, valuation of share-based payments and provision for deferred income tax, including the effects of flow-through shares.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the financial statements is included going concern assessment (Note 1).

(e) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

These financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

3. Significant Accounting Policies

(a) Cash

The Company considers cash to include amounts held in banks. The Company places its cash with major financial institutions in Canada.

(b) Mineral Property

i) Exploration and evaluation

Staking costs, property option payments, and other costs associated with acquiring exploration and evaluation assets are capitalized and classified as intangible assets, whereas exploration and evaluation expenditures are recognized as expenses as they are incurred during the period. Exploration and evaluation expenditures include costs of conducting geological and geophysical surveys, equipment rental, geochemical analysis, mapping and interpretation, and costs to obtain legal rights to explore an area.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

3. Significant Accounting Policies (continued)

(b) Mineral Property (continued)

i) Exploration and evaluation (continued)

Management reviews the carrying value of capitalized exploration costs annually. The review is based on the Company's intentions for development of the undeveloped property.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

ii) Development

Upon completion of a technical feasibility study and when commercial viability is demonstrated, capitalized exploration and evaluation assets are transferred to and classified as mineral property acquisition and development costs. Costs associated with the commissioning of new assets incurred in the period before they are operating in the way intended by management, are capitalized. Development expenditure is net of the proceeds of the sale of metals from ore extracted during the development phase. Interest on borrowings related to the construction and development of assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

The costs of removing overburden to access ore are capitalized as pre-production stripping costs and classified as a component of property, plant and equipment.

iii) Impairment

The carrying value of all categories of mineral property and exploration are reviewed at least annually by management for indicators the recoverable amount may be less than the carrying value. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash generating unit ("CGU"), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

Value-in-use is based on estimates of discounted future cash flows expected to be recovered from an asset or CGU through their use. Estimated future cash flows are calculated using estimates of future recoverable reserves and resources, future commodity prices and expected future operating and capital costs. Once calculated, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

3. Significant Accounting Policies (continued)

(b) Mineral Property (continued)

iii) Impairment (continued)

Fair value less costs to sell is the amount obtainable from either quotes from an active market or the sale of an asset or CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense.

Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit or group of units on a pro rata basis. Impairment losses are recognized in other expenses. Assumptions, such as commodity prices, discount rate, and expenditures, underlying the fair value estimates are subject to risks uncertainties. Impairment charges are recorded in the reporting period in which determination of impairment is made by management.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion or amortization, if no impairment loss had been recognized.

(c) Provision for Environmental Rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or straight line method. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

(d) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements**For the Years Ended March 31, 2017 and 2016**

In Canadian Dollars

3. Significant Accounting Policies (continued)**(d) Provisions (continued)**

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(e) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in profit or loss except to the extent that it relates to a business combination or items recognized either in other comprehensive income or directly in equity.

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

Deferred income 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 not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

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

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements**For the Years Ended March 31, 2017 and 2016**

In Canadian Dollars

3. Significant Accounting Policies (continued)**(f) Financial Instruments***Financial Assets*

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting periods, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process. The Company's loans and receivables consist of cash, GST receivable and tax receivable on the statement of financial position.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss. The Company has not designated any financial assets at fair value through profit or loss.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

3. Significant Accounting Policies (continued)

(f) Financial Instruments (continued)

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss. The Company has not designated any financial assets as available-for-sale.

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred. The Company's financial liabilities consist of accounts payable and accrued liabilities.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there are indicators of impairment present for financial assets other than financial assets valued through profit and loss. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the statement of loss and comprehensive loss.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

3. Significant Accounting Policies (continued)

(g) Loss Per Share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for own shares held, for the effects of all dilutive potential common shares, which comprise convertible notes and share options granted to employees. In periods where a net loss is incurred, basic and diluted loss per share is the same as the effect of outstanding stock options and warrants would be anti-dilutive.

(h) Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the statement of financial position.

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(i) Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

The Company has adopted the relative fair value method with respect to the measurement of shares and warrants issued as part of private placement units with the value attributed to the warrants recorded as a separate component of equity.

Common shares, which by agreement are designated as flow-through shares, are usually issued at a premium to non flow-through common shares. On issue, share capital is increased only by the non flow-through share equivalent value. Any premium is recorded as a flow-through share liability. Pursuant to any flow-through share agreement the Company must renounce its flow-through share exploration expenditures to the flow-through shareholders, and the Company gives up its rights to the income tax benefits on the exploration expenditures. The flow-through share liability is recognized in other income as the associated exploration expenditures are incurred.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

3. Significant Accounting Policies (continued)

(j) Related Parties

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

(k) Recent Accounting Pronouncements

Recent Accounting Pronouncements Adopted:

IFRS 7 Financial Instruments - Disclosure ("IFRS 7") has been amended to require additional disclosures on transition from IAS 39 to IFRS 9. IFRS 7 is effective on or after April 1, 2015.

IFRS 11 Accounting for Acquisitions of Interest in Joint Operations ("IFRS 11") has been amended to provide specific guidance on accounting for the acquisition of an interest in a joint operation that is a business. IFRS 11 is effective on or after January 1, 2016.

IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortization ("IFRS 16 and IAS 38") have been amended to (i) clarify that the use of a revenue-based depreciation and amortization method is not appropriate, and (ii) provide a rebuttable presumption for intangible assets. IFRS 16 and IAS 38 are effective on or after January 1, 2016.

Recent Accounting Pronouncements not yet applied:

IFRS 9 Financial Instruments ("IFRS 9") partially replaces IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective on or after January 1, 2018. The Company is currently assessing the impact of IFRS 9 on the financial statements.

IFRS 15 Revenue from Contracts with Customers ("IFRS 15") specifies how and when an IFRS reporter will recognise revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. The new standard provides a single, principles based five-step model to be applied to all contracts with customers. IFRS 15 is effective on or after January 1, 2018. The Company is currently assessing the impact of IFRS 15 on the financial statements.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

3. Significant Accounting Policies (continued)

IFRS 16 Leases (“IFRS 16”) replaces IAS 17 “Leases.” and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, substantially unchanged from IAS 17. IFRS 16 is effective on or after January 1, 2019. The Company is currently assessing the impact of IFRS 9 on the financial statements.

4. Mineral Property

(a) Adrian Property, British Columbia, Canada

The Company acquired the Adrian property, located in the British Columbia, consisting of 7 claims, through staking. Due to unfavourable market conditions, management has decided to drop four of the claims, therefore \$5,664 of the acquisition costs have been written down during the year ended March 31, 2016. The Company has incurred \$7,777 (2016: \$2,000) in exploration expenditures on this property during the year ended March 31, 2017.

(b) Acquisition Costs

Details of acquisition costs incurred for the years ended March 31, 2017 and 2016 are as follows:

Adrian Property, British Columbia, Canada	2017		2016	
Balance – beginning of year	\$	6,101	\$	11,765
Write-down		-		(5,664)
Balance – end of year	\$	6,101	\$	6,101

(c) Mineral Exploration Costs

Details of exploration activities for the years ended March 31, 2017 and 2016 are as follows:

Adrian Property, British Columbia, Canada	2017		2016	
Mineral exploration costs				
Camp and general	\$	7,777	\$	2,000
Total mineral exploration costs – expensed		7,777		2,000
BCMETC *		(1,955)		-
Net mineral exploration costs – expensed		5,822		2,000
Mineral exploration costs – beginning of year		179,179		177,179
Mineral exploration costs – end of year	\$	185,001	\$	179,179

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

4. Mineral Property (continued)

* During the year ended March 31, 2017, the Company recorded a total of \$1,955 (2016 - \$nil) of exploration and evaluation expenditures as an adjustment to the British Columbia Mining Exploration Tax Credit ("BC METC") receivable recorded as at March 31, 2017 and 2016. A total of \$400 BC METC was received during the year ended March 31, 2017.

5. Shareholders' Equity

(a) Authorized

Unlimited number of common shares without par value

(b) Issued Share Capital

8,925,000 common shares without par value

There were no common shares issued during the years ended March 31, 2017 and 2016.

(c) Reserves

The following is a summary of the reserves components relating to stock options and common share purchase warrants as at March 31, 2017 and 2016:

		2017		2016
Options	\$	34,105	\$	34,105
Warrants		104,536		104,536
Total	\$	138,641	\$	138,641

(d) Warrants

Details of warrants activity for the years ended March 31, 2017 and 2016 are as follows:

March 31, 2015	Issued	Exercised	March 31, 2016 and 2017	Exercise Price	Expiry Date
3,605,000	-	-	3,605,000	\$0.20	December 21, 2017

6. Segmented Information

The Company operates in one segment – the acquisition, exploration and development of mineral properties. As at March 31, 2017 and 2016, all of the Company's operations and assets were in Canada.

Remo Resources Inc.*(An Exploration Stage Company)***Notes to Financial Statements****For the Years Ended March 31, 2017 and 2016***In Canadian Dollars***7. Income Taxes****(a) Current Income Taxes**

A reconciliation of income taxes at statutory rates is as follows:

	2017	2016
Net loss for the year	(47,929)	(77,033)
Expected tax recovery at a combined federal and provincial rate of 26.00% (2016: 26.00%)	(12,462)	(20,029)
Tax Effect of:		
Permanent and other differences	(9,485)	1,473
Change in benefit not recognized	21,947	18,556
Recovery of income taxes	-	-

(b) Deferred Income Taxes

Deferred income tax assets have not been recognized in respect of the following items:

	2017	2016
Mineral property costs	\$ 15,322	13,288
Deferred transaction costs	-	10,999
Non-capital losses	173,953	152,006
Deferred income tax assets	\$ 189,275	176,293

At March 31, 2017, the Company has Canadian non-capital losses of \$669,049 (2016: \$584,639) which, if not utilized to reduce income in future periods, expires as follows.

2032	\$ 41,589
2033	196,616
2034	128,298
2035	106,463
2036	111,673
2037	84,410
	<u>\$ 669,049</u>

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

8. Related Party Transactions

The Company's related parties and key management personnel consist of companies owned by the executive officer and directors as follows:

	Relationships	Nature of transactions
CDM Capital Partners Inc.	Partially owned and controlled by the former director of the Company	Accounting, General and Administration, and Rent
VC Consulting Corp.	Owned and controlled by the CFO of the Company	Accounting

During the year ended March 31, 2017, related party transactions and balances not disclosed elsewhere in these financial statements are as follows:

- The Company paid \$9,000 (2016: \$13,750) for accounting fees, \$Nil (2016: \$4,000) for general and administrative fees, \$Nil (2016: \$5,500) for rent to CDM Capital Partners Inc.; and
- The Company paid \$3,000 (2016: \$900) for accounting fees to VC Consulting Corp.

9. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at March 31, 2017.

10. Financial Instruments

The classification of the financial instruments as well as their carrying values is shown in the table below:

Loans and receivables	\$	301,415
Financial liabilities measured at amortized cost	\$	10,732

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

10. Financial Instruments (continued)

a) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The fair value of cash is determined based on Level 1 inputs. As at March 31, 2017, the Company believes that the carrying value of its cash, GST recoverable, tax receivable, and accounts payable and accrued liabilities approximate their fair values because of nature and relatively short durations.

b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of GST recoverable and tax receivable. Management is of the view that this amount is fully collectible.

d) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest-bearing debt. The Company's sensitivity to interest rates is minimal.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Years Ended March 31, 2017 and 2016

In Canadian Dollars

10. Financial Instruments (continued)

e) Foreign Currency Exchange Rate Risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

REMO RESOURCES INC.

Condensed Interim Financial Statements

Three months ended June 30, 2017 and 2016

Unaudited – Expressed in Canadian Dollars

Remo Resources Inc.
Statements of Financial Position
Unaudited – Prepared by Management
In Canadian Dollars

	June 30, 2017 (Unaudited)	March 31, 2017 (Audited)
Assets		
Current Assets		
Cash	\$ 288,009	\$ 299,332
GST recoverable	1,514	528
Tax receivable (Note 4(c))	1,555	1,555
	291,078	301,415
Mineral property (Note 4(b))	6,101	6,101
TOTAL ASSETS	\$ 297,179	\$ 307,516
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 24,627	\$ 10,732
Shareholders' Equity		
Share capital (Note 5)	805,908	805,908
Reserves (Note 5)	138,641	138,641
Deficit	(671,997)	(647,765)
	272,552	296,784
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 297,179	\$ 307,516

Nature of Operations and Continuance of Business (Note 1)

Approved by the Board of Directors:

"Stephen Kenwood"

"Gary Freeman"

 Stephen Kenwood, Director

 Gary Freeman, Director

- See Accompanying Notes -

Remo Resources Inc.

Interim Statements of Loss and Comprehensive Loss

For the Three Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

	2017	2016
Expenses		
Audit and accounting (Note 6)	\$ 2,400	\$ 2,250
Exploration and evaluation costs (Note 4(c))	-	7,777
Filing and transfer agent fees	4,650	825
General and administrative (Note 6)	1,793	2,797
Legal	6,389	-
Transaction costs	9,000	-
Net loss and comprehensive loss for the period	\$ 24,232	\$ 13,649
Loss per share, basic and diluted	\$ 0.00	\$ 0.00
Weighted average shares outstanding	8,925,000	8,925,000

– See Accompanying Notes –

Remo Resources Inc.*(An Exploration Stage Company)***Interim Statements of Cash Flows****For the Three Months Ended June 30, 2017 and 2016***Unaudited – Prepared by Management**In Canadian Dollars*

	2017	2016
<hr/>		
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (24,232)	\$ (13,649)
Changes in non-cash operating working capital:		
GST recoverable	(986)	(593)
Prepaid expense	-	1,256
Accounts payable and accrued liabilities	13,895	8,141
	<hr/> (11,323) <hr/>	<hr/> (4,845) <hr/>
Decrease in cash	(11,323)	(4,845)
Cash, beginning of period	299,332	343,467
Cash, end of period	<hr/> \$ 288,009 <hr/>	<hr/> \$ 338,622 <hr/>
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

There were no significant non-cash transactions excluded from the statement of cash flows for the three months ended June 30, 2017 and 2016.

- See Accompanying Notes -

Remo Resources Inc.*(An Exploration Stage Company)***Interim Statements of Changes in Equity****For the Three Months Ended June 30, 2017 and 2016***Unaudited – Prepared by Management*

	Share Capital		Reserves		Deficit	Total
	Shares	Amount \$	Options \$	Warrants \$		
Balance, March 31, 2016 <i>(Audited)</i>	8,925,000	805,908	34,105	104,536	(599,836)	344,713
Net loss and comprehensive loss for the period	-	-	-	-	(13,649)	(13,649)
Balance, June 30, 2016 <i>(Unaudited)</i>	8,925,000	805,908	34,105	104,536	(613,485)	331,064
Net loss and comprehensive loss for the period	-	-	-	-	(34,280)	(34,280)
Balance, March 31, 2017 <i>(Audited)</i>	8,925,000	805,908	34,105	104,536	(647,765)	296,784
Net loss and comprehensive loss for the period	-	-	-	-	(24,232)	(24,232)
Balance, June 30, 2017 <i>(Unaudited)</i>	8,925,000	805,908	34,105	104,536	(671,997)	272,552

- See Accompanying Notes -

Remo Resources Inc.
(An Exploration Stage Company)

Notes to the Condensed Interim Financial Statements

For the Three Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

1. Nature of Operations and Continuance of Business

Remo Resources Inc. (the “Company”) was incorporated on May 2, 2011, under the laws of the province of British Columbia, Canada, and changed its name from Hadrian Resources Inc. on August 4, 2011. Its principal activity is the acquisition and exploration of mineral properties in Canada. The head office, principal address and records office of the Company are located at 800 West Pender Street, Suite 1430, Vancouver, British Columbia, Canada.

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. Several conditions discussed below cast substantial doubt regarding this assumption. The Company has no operating revenue and has an accumulated deficit of \$671,997 as at June 30, 2017. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations, exploration, and development activities and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

2. Basis of Presentation

a) Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

b) Basis of presentation

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s audited financial statements for the year ended March 31, 2017.

c) Approval of the Financial Statements

These financial statements were approved and authorized for issue by the Board of Directors on August 24, 2017.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to the Condensed Interim Financial Statements

For the Three Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

2. Basis of Presentation - Continued

d) Critical accounting judgments and estimates

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimates used include, among others, the amounts recorded for the recoverability and impairment of mineral properties, valuation of share-based payments and provision for deferred income tax, including the effects of flow-through shares.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the financial statements is included going concern assessment (Note 1).

e) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

These financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

3. Recent Accounting Pronouncements

Recent Accounting Pronouncements Adopted:

IFRS 7 Financial Instruments - Disclosure ("IFRS 7") has been amended to require additional disclosures on transition from IAS 39 to IFRS 9. IFRS 7 is effective on or after April 1, 2015.

IFRS 11 Accounting for Acquisitions of Interest in Joint Operations ("IFRS 11") has been amended to provide specific guidance on accounting for the acquisition of an interest in a joint operation that is a business. IFRS is effective on or after January 1, 2016.

IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortization ("IFRS 16 and IAS 38") have been amended to (i) clarify that the use of a revenue-based depreciation and amortization method is not appropriate, and (ii) provide a rebuttable presumption for intangible assets. IFRS 16 and IAS 38 are effective on or after January 1, 2016.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to the Condensed Interim Financial Statements

For the Three Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

3. Recent Accounting Pronouncements – Continued

Recent Accounting Pronouncements not yet applied:

IFRS 9 Financial Instruments (“IFRS 9”) partially replaces IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective on or after January 1, 2018. The Company is currently assessing the impact of IFRS 9 on the financial statements.

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IFRS 16 Leases (“IFRS 16”) replaces IAS 17 “Leases.” and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, substantially unchanged from IAS 17. IFRS 16 is effective on or after January 1, 2019. The Company is currently assessing the impact of IFRS 9 on the financial statements.

4. Mineral Property

a) Adrian Property, British Columbia, Canada

The Company acquired the Adrian property, located in the British Columbia, consisting of 7 claims, through staking. Due to unfavourable market conditions, management has decided to drop four of the claims, therefore \$5,664 of the acquisition costs have been written down during the year ended March 31, 2016. The Company has incurred \$Nil (2016: \$7,777) in exploration expenditures on this property during the three months ended June 30, 2017.

b) Acquisition Costs

Details of acquisition costs incurred for the three months ended June 30, 2017 and for the year ended March 31, 2017 are as follows:

Adrian Property, British Columbia, Canada	June 30, 2017	March 31, 2017
Net book value	\$ 6,101	\$ 6,101

Remo Resources Inc.*(An Exploration Stage Company)***Notes to the Condensed Interim Financial Statements****For the Three Months Ended June 30, 2017 and 2016***Unaudited – Prepared by Management**In Canadian Dollars***4. Mineral Property – Continued**

c) Mineral Exploration Costs

Details of exploration activities for the three months ended June 30, 2017 and the year ended March 31, 2017 are as follows:

Adrian Property, British Columbia, Canada	Three months ended June 30, 2017	Year ended March 31, 2017
Mineral exploration costs		
Camp and general	\$ -	\$ 7,777
Total mineral exploration costs – expensed	-	7,777
BCMETC *	-	(1,955)
Total mineral exploration costs – expensed	-	5,822
Mineral exploration costs – beginning of period	185,001	179,179
Mineral exploration costs - end of period	\$ 185,001	\$ 185,001

5. Shareholders' Equity

a) Authorized

Unlimited number of common shares without par value.

b) Issued Share Capital

8,925,000 common shares without par value.

There were no common shares issued during the three months ended June 30, 2017 and 2016.

c) Reserves

The following is a summary of the reserves components relating to stock options and common share purchase warrants as at June 30, 2017 and March 31, 2017:

	June 30, 2017	March 31, 2017
Options	\$ 34,105	\$ 34,105
Warrants	104,536	104,536
Total	\$ 138,641	\$ 138,641

d) Details of warrants activity for the three months ended June 30, 2017 and the year ended March 31, 2017 are as follows:

March 31, 2016	Issued	Exercised	March 31 and June 30, 2017	Exercise Price	Expiry Date
3,605,000	-	-	3,605,000	\$0.20	December 21, 2017

Remo Resources Inc.

(An Exploration Stage Company)

Notes to the Condensed Interim Financial Statements

For the Three Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

6. Related Party Transactions

The Company's related parties and key management personnel consist of a company partially owned by a former director as follows:

	Relationship	Nature of Transactions
CDM Capital Partners Inc.	Partially owned and controlled by a former director of the Company	Accounting and Transaction Costs

During the three months ended June 30, 2017, related party transactions and balances not disclosed elsewhere in these condensed interim financial statements are as follows:

- The Company paid \$2,250 (2016: \$2,250) for accounting fees and \$4,000 (2016: \$Nil) for transaction costs to CDM Capital Partners Inc.

The accounts payable and accrued liabilities of the Company as at June 30, 2017 and as at March 31, 2017 include the following amounts due to related parties:

	June 30, 2017	March 31, 2017
Key management personnel	\$ 1,799	\$ 630

7. Financial Instruments

The classification of the financial instruments as well as their carrying values is shown in the table below:

Loans and receivables	\$	291,078
Financial liabilities measured at amortized cost	\$	24,627

a) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to the Condensed Interim Financial Statements

For the Three Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

7. Financial Instruments (Continued)

b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of share subscriptions receivable. Management is of the view that this amount is fully collectible.

d) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest-bearing debt. The Company's sensitivity to interest rates is minimal.

e) Foreign Currency Exchange Rate Risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

7. Segmented Information

The Company operates in one segment – the acquisition, exploration and development of mineral properties. As at June 30, 2017, all of the Company's operations and assets were in Canada.

8. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at June 30, 2017.

SCHEDULE "B"

Management's Discussion and Analysis of the Issuer for the year ended March 31, 2017
and for the three months ended June 30, 2017

See attached documents

REMO RESOURCES INC.
Management Discussion and Analysis (“MD&A”)
for the year ended March 31, 2017

The following discussion and analysis of the operations, results, and financial position of Remo Resources Inc. (“the Company”) for the year ended March 31, 2017 should be read in conjunction with the Company’s audited financial statements and related notes for the years ended March 31, 2017 and 2016. The effective date of this report is June 28, 2017. All figures are presented in Canadian dollars, unless otherwise indicated.

COMPANY OVERVIEW

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on May 2, 2011. The Company is in the business of exploration, development and exploitation of mineral resources in Canada. The Company’s primary objective is to explore mineral properties to a stage where they can be developed profitably or sold to a third party. The Company has acquired the Adrian property, located in British Columbia, consisting of 7 claims, through staking. The Company completed its initial public offering (“IPO”) of 4,000,000 common shares for gross proceeds of \$800,000 on December 21, 2012.

With a view to the preservation of capital, the Company is not currently carrying out any exploration activities on its project. However, the Company is actively seeking other opportunities to create shareholder value both within and outside of the mineral exploration industry assuming the Company can raise capital.

MINERAL PROPERTY EXPLORATIONS

The Company is investigating, evaluating and conducting exploration activities in British Columbia, Canada. The Company’s mineral property interests are as follows:

a) Adrian Property - Acquisition, exploration and evaluation costs

The Company acquired, through staking, a 100% interest in seven contiguous mineral claims (comprising 1,914.4 contiguous hectares) located in the Iskut River District of northwestern British Columbia, and known as the Adrian Project (the “Property”). As of March 31, 2017, the Company has incurred a cumulative \$185,001 in exploration expenditures on the Property and has incurred \$11,765 of acquisition costs in staking the seven claims that make up the Property. Due to unfavourable market conditions, management has decided to drop four of the claims and therefore \$5,664 of the acquisition costs were written off.

b) Adrian Property – Operations update:

During the year ended March 31, 2014, the Company incurred \$58,943 in exploration and evaluation expenditures as it commenced the Stage 1 Exploration program recommended for the Adrian Project (as outlined in the Company’s Prospectus). Exploration work was focused on the known vein type mineralization (referred to as Area’s A, C, D and “1134”) and consisted of detailed soil geochemical surveys (designed to assess potential strike extensions and identify any parallel mineralized zones) and systematic trenching and sampling to establish vein thicknesses and provide un-oxidized material for follow-up petrographic work. A total of 162 soil samples and 46 rock samples were collected.

Results of the soil sampling program were mixed. Test surveys completed during 2012 indicated anomalous gold values in soils of up to 245 ppb (0.245 g/t) associated with the known mineralized one. Elevated copper and silver values (spot high results of up to 4,380 ppm copper and 13.6 ppm silver) were recorded during the current survey from samples collected within the known mineralized zone however only weakly anomalous gold, silver and copper results were recorded along strike.

The soil profile lines were extended for up to 200 meters to the northwest and to the southeast of the known mineralized zone but did not identify any obvious parallel zones. Petrographic evaluation of the rock samples collected during the program is ongoing to assess similarities to the historic SNIP gold deposit located approximately 20 kilometers to the south.

During the year ended March 31, 2015, the Company recorded \$1,215 of exploration and evaluation expenditures as an adjustment to the British Columbia Mining Exploration Tax Credit ("BC METC") receivable recorded as at March 31, 2014. A total of \$1,689 BC METC was received during the year ended March 31, 2015.

During the year ended March 31, 2016, the Company spent \$2,000 of exploration and evaluation expenditures for technical reports in compliance with the BC Mines Regulations.

During the year ended March 31, 2017, the Company incurred \$7,777 filing and recording fees required to record the assessment credits with Ministry of Mines. A total of \$1,955 of BC METC was recorded during the year ended March 31, 2017, of which \$400 was received.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's quarterly results for the last eight quarters:

	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015
Expenses	\$17,767	\$6,427	\$10,086	\$13,649	\$21,790	\$14,223	\$24,624	\$10,732
Loss for the period	\$17,767	\$6,427	\$10,086	\$13,649	\$27,454	\$14,223	\$24,624	\$10,732
Weighted average shares outstanding	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000
Loss per share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mineral property acquisition costs	-	-	-	-	-	-	-	-
Mineral property write-down	-	-	-	-	\$5,664	-	-	-
Mineral property exploration costs	(1,555)*	(400)*	-	\$7,777	-	-	\$2,000	-

*BC METC

Staking costs associated with acquiring exploration and evaluation assets are capitalized and classified as intangible assets, whereas exploration and evaluation expenditures are recognized as expenses as they are incurred during the period. Exploration and evaluation expenditures include costs of equipment rental, geochemical analysis, geological surveys, mapping and interpretation.

Management reviews the carrying value of capitalized acquisition costs at least annually. The review is based on the Company's intentions for development of the undeveloped property.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

The Company's operating losses are due to mineral exploration and general and administrative costs, such as accounting and audit and accounting, consulting, office and administration, and rent expenses incurred during the process of managing the Company's operations and to ensure regulatory compliance.

SELECTED ANNUAL INFORMATION

The following is a summary of the financial data of the Company for the three most recently completed fiscal years:

	March 31, 2017	March 31, 2016	March 31, 2015
	\$	\$	\$
Revenue	Nil	Nil	Nil
Net income (loss)	(47,929)	(77,033)	(74,547)
Net income (loss) per share - basic and diluted	(0.01)	(0.01)	(0.01)
Total assets	307,516	353,526	430,466
Total long term financial liabilities	Nil	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

DISCLOSURE OF OUTSTANDING SHARE DATA

As of March 31, 2017 and the date of this MD&A, the Company had 8,925,000 shares outstanding. There are 3,605,000 warrants outstanding as at March 31, 2017 and the date of this MD&A.

RESULTS OF OPERATIONS

Three months ended March 31, 2017 (“Q4 2017”) compared to the three months ended March 31, 2016 (“Q4 2016”)

The loss for the quarter ended March 31, 2017 was \$17,767 compared to \$27,454 for the quarter ended March 31, 2016. The decrease was mainly due to decreases in general and administrative costs, rent expenses, and write-down of mineral property, as well as the BC METC recorded during Q4 2017. Significant cost variances are as follows:

- General and administrative costs decreased from \$2,880 in Q4 2016 to \$1,855 in Q4 2017. The decrease was due to a decrease in monthly office management fees;
- Rent expenses of \$Nil were incurred in Q4 2017 period compared to \$1,000 in Q4 2016. The decrease was due to fact that no monthly rent fees were charged to the Company in Q4 2017;
- Exploration and evaluation cost recovery of \$1,555 were recorded in Q4 2017 compared to \$Nil in Q4 2016. During Q4 2017, the Company recorded \$1,555 BC METC receivable on \$7,777 exploration and evaluation expenditures incurred during the year ended March 31, 2017; and
- During Q4 2016, the Company wrote down \$5,664 of mineral property acquisition costs relating to the Adrian property.

Year ended March 31, 2017 (“2017”) compared to the year ended March 31, 2016 (“2016”)

The loss for the year ended March 31, 2017 was \$47,929 compared to \$77,033 for the year ended March 31, 2016. The decrease was mainly due to a decrease in legal, rent and general and administrative costs, offset by an increase in exploration and evaluation costs. Significant cost variances are as follows:

- Exploration and evaluation costs of \$5,822 were incurred in 2017 compared to \$2,000 in 2016. During 2017, the Company incurred \$7,777 for filing and recording fees required to record the assessment credits with Ministry of Mines, offset by \$400 of BC METC recovered on \$2,000 of

exploration and evaluation expenditures incurred during 2016 for technical reports in compliance with the BC Mines Regulations. The Company also recorded \$1,555 of BC METC receivable on \$7,777 of exploration and evaluation expenditures incurred during 2017;

- General and administrative costs of \$9,836 were incurred in 2017 compared to \$15,666 in 2016. The decrease is mostly due to a decrease in monthly office management fees charged during 2017;
- Legal fees of \$1,092 were incurred in 2017 compared to \$11,395 in 2016. During 2016, the Company incurred legal costs associated with preparing for and holding the Company's annual general meeting in 2016. No similar costs were incurred during 2017;
- Rent expenses of \$Nil were incurred in 2017 compared to \$5,500 in 2016. The decrease was due to fact that no monthly rent fees were charged to the Company during 2017; and
- During 2016, the Company wrote down \$5,664 of mineral property acquisition costs relating to the Adrian property.

LIQUIDITY AND CAPITAL RESOURCES

The Company's ability to meet its obligations and its ability to finance exploration and development activities depends on its ability to generate cash flow through the issuance of common shares pursuant to private placements, the exercise of warrants and stock options. Capital markets may not always be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. This may be further complicated by the limited liquidity for the Company's shares, restricting access to some institutional investors. The Company's growth and success is dependent on additional external sources of financing which may not be available on acceptable terms.

Working Capital

As of March 31, 2017, the Company's working capital was \$290,683, compared with a \$338,612 working capital as of March 31, 2016. The \$47,929 decrease in working capital was mainly due to spending cash on operating activities.

Cash

On March 31, 2017, the Company had \$299,332 of cash, compared with \$343,467 of cash on March 31, 2016. The decrease in the cash position is due to spending \$44,135 on operating activities which includes mostly auditing and accounting, exploration and evaluation costs, filing and transfer agent fees, and general and administrative fees.

Cash Used in Operating Activities

Cash used in the operating activities during the year ended March 31, 2017 was \$44,135. Cash was mostly spent on auditing and accounting, exploration and evaluation costs, filing and transfer agent fees, and general and administrative fees.

Cash used in the operating activities during the year ended March 31, 2016 was \$71,166. Cash was mostly spent on audit and accounting, filing and transfer agent fees, general and administration fees, legal fees and rent.

Cash Used in Investing Activities

There were no investing activities during the years ended March 31, 2017 and 2016.

Cash Generated by Financing Activities

There were no financing activities during the years ended March 31, 2017 and 2016.

Requirement of Additional Equity Financing

The Company relies primarily on equity financings for all funds raised to date for its operations. The Company needs more funds to finance its exploration and development programs and ongoing operating costs. Until the Company starts generating profitable operations from extraction of minerals and precious metals, the Company intends to continue relying upon the issuance of equity securities to finance its operations and acquisitions.

GOING CONCERN

The recoverability of amounts shown as mineral property interests is dependent upon the conversion of mineral resources to economically recoverable reserves, the Company's ability to obtain financing to develop the mineral property interests, and the ultimate realization of profits through future production or sale of the mineral property interests.

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. Several conditions discussed below cast substantial doubt on this assumption. The Company has no operating revenue and has an accumulated deficit of \$647,765 as at March 31, 2017. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations, exploration, and development activities and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties and key management personnel consist of companies owned by the executive officer and directors as follows:

	Relationships	Nature of transactions
CDM Capital Partners Inc.	Partially owned and controlled by the former director of the Company	Accounting, General and Administration, and Rent
VC Consulting Corp.	Owned and controlled by the CFO of the Company	Accounting

During the year ended March 31, 2017, related party transactions and balances not disclosed elsewhere in these financial statements are as follows:

- The Company paid \$9,000 (2016: \$13,750) for accounting fees, \$Nil (2016: \$4,000) for general and administrative fees, \$Nil (2016: \$5,500) for rent to CDM Capital Partners Inc.; and
- The Company paid \$3,000 (2016: \$900) for accounting fees to VC Consulting Corp.

PLAN OF OPERATIONS AND FUNDING

The Company's plan of significant operations for the next twelve months is as follows:

- to finance general and administrative costs of running operations and regulatory compliance estimated at \$77,000;
- to preserve cash at this time and consider further exploration of its project once economic conditions for precious metals exploration and development improves; and
- to investigate other opportunities both within and outside of the mineral exploration industry with a view to creating shareholder value.

To finance the above plans, the Company completed an IPO of 4,000,000 common shares at \$0.20 per common share for gross proceeds of \$800,000 received during the year ended March 31, 2013.

FINANCIAL INSTRUMENTS

The Company accounts for its financial instruments as follows:

Cash	Loans and receivables
Accounts payable and accrued liabilities	Financial liabilities measured at amortized cost

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting period, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process. The Company's loans and receivables consist of cash, GST recoverable and tax receivable on the statement of financial position.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss. The Company has not designated any financial assets at fair value through profit or loss.

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss. The Company has not designated any financial assets as available-for-sale.

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred. The Company's financial liabilities consists of accounts payable and accrued liabilities on the statement of financial position.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there are indicators of impairment present for financial assets other than financial assets valued through profit and loss. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in profit or loss.

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

The adoption of this standard is consistent with the financial instrument disclosure standards in IFRS.

The classification of the financial instruments as well as their carrying values is shown in the table below:

Loans and receivables	\$	301,415
Financial liabilities measured at amortized cost	\$	10,732

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The Company is exposed to potential loss from various risks including commodity price risk, exploration and development risk, environmental risk, credit risk, liquidity risk and interest rate risk. These risks are described in more details in Risk and Uncertainties section of this MD&A.

RISK AND UNCERTAINTIES

The Company is exposed to various types of market risks including credit risk, liquidity risk, interest rate risk and commodity price risk. This is not an exhaustive list of all risks, nor will the mitigation strategies eliminate all risks listed.

(i) Credit Risk – Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of GST recoverable and tax receivable. Management is of the view that this amount is fully collectible.

(ii) Liquidity Risk – Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

(iii) Interest Rate Risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest-bearing debt. The Company's sensitivity to interest rates is minimal.

(iv) Foreign Currency Exchange Rate Risk - The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at March 31, 2017.

RECENT ACCOUNTING PRONOUNCEMENTS

Recent Accounting Pronouncements Adopted:

IFRS 7 Financial Instruments - Disclosure ("IFRS 7") has been amended to require additional disclosures on transition from IAS 39 to IFRS 9. IFRS 7 is effective on or after April 1, 2015.

IFRS 11 Accounting for Acquisitions of Interest in Joint Operations ("IFRS 11") has been amended to provide specific guidance on accounting for the acquisition of an interest in a joint operation that is a business. IFRS is effective on or after January 1, 2016.

IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortization ("IFRS 16 and IAS 38") have been amended to (i) clarify that the use of a revenue-based depreciation and amortization method is not appropriate, and (ii) provide a rebuttable presumption for intangible assets. IFRS 16 and IAS 38 are effective on or after January 1, 2016.

Recent Accounting Pronouncements not yet applied:

IFRS 9 Financial Instruments ("IFRS 9") partially replaces IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective on or after January 1, 2018. The Company is currently assessing the impact of IFRS 9 on the financial statements.

IFRS 15 Revenue from Contracts with Customers ("IFRS 15") specifies how and when an IFRS reporter will recognise revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. The new standard provides a single, principles based five-step model to be applied to all contracts with customers. IFRS 15 is effective on or after January 1, 2018. The Company is currently assessing the impact of IFRS 9 on the financial statements.

IFRS 16 Leases ("IFRS 16") replaces IAS 17 "Leases." and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, substantially unchanged from IAS 17. IFRS 16 is effective on or after January 1, 2019. The Company is currently assessing the impact of IFRS 9 on the financial statements.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental regulatory and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company to meet certain work commitments, and work plans to be conducted by the Company.

With respect to forward-looking statements listed above and contained in this MD&A, the Company has made assumptions regarding, among other things: the legislative and regulatory environment, the impact of increasing competition, unpredictable changes to the market prices for minerals, that costs related to development of mineral properties will remain consistent with historical experiences, anticipated results of exploration activities, and the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth in this MD&A: volatility in the market prices of minerals, uncertainties associated with estimating resources, geological problems, technical problems, exploration problems, processing problems, liabilities and risks including environmental liabilities and risks inherent in the exploration and mining, fluctuations in currency and interest rates, incorrect assessments of the value of acquisitions, unanticipated results of exploration activities, competition for capital, competition for acquisitions of reserves, competition for undeveloped lands, competition for skilled personnel, political risks and unpredictable weather conditions.

ADDITIONAL INFORMATION

For further detail, see the Company's audited financial statements for the years ended March 31, 2017 and 2016. Additional information about the Company can also be found on www.sedar.com.

CORPORATE DIRECTORY

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Officers and Directors

Stephen Kenwood (Chief Executive Officer, President, Corporate Secretary, and Director)
Vivien Chuang (Chief Financial Officer)
Gary Freeman (Director)
Keith Henderson (Director)
Peter Mordaunt (Director)

Auditors

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Members of the Audit Committee

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Peter Mordaunt
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Gary Freeman (Chair)
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Keith Henderson

REMO RESOURCES INC.
Management Discussion and Analysis (“MD&A”)
for the three months ended June 30, 2017

The following discussion and analysis of the operations, results, and financial position of Remo Resources Inc. (“the Company”) for the three months ended June 30, 2017 should be read in conjunction with the Company’s audited financial statements and related notes for the three months ended June 30, 2017 and the audited financial statements for the year ended March 31, 2017. The effective date of this report is August 24, 2017. All figures are presented in Canadian dollars, unless otherwise indicated.

COMPANY OVERVIEW

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on May 2, 2011. The Company is in the business of exploration, development and exploitation of mineral resources in Canada. The Company’s primary objective is to explore mineral properties to a stage where they can be developed profitably or sold to a third party. The Company has acquired the Adrian property, located in British Columbia, consisting of 7 claims, through staking. The Company completed its initial public offering (“IPO”) of 4,000,000 common shares for gross proceeds of \$800,000 on December 21, 2012.

With a view to the preservation of capital, the Company is not currently carrying out any exploration activities on its project. However, the Company is actively seeking other opportunities to create shareholder value both within and outside of the mineral exploration industry assuming the Company can raise capital.

MINERAL PROPERTY EXPLORATIONS

The Company is investigating, evaluating and conducting exploration activities in British Columbia, Canada. The Company’s mineral property interests are as follows:

a) Adrian Property - Acquisition, exploration and evaluation costs

The Company acquired, through staking, a 100% interest in seven contiguous mineral claims (comprising 1,914.4 contiguous hectares) located in the Iskut River District of northwestern British Columbia, and known as the Adrian Project (the “Property”). As of June 30, 2017, the Company has incurred a cumulative \$185,001 in exploration expenditures on the Property and has incurred \$11,765 of acquisition costs in staking the seven claims that make up the Property. Due to unfavourable market conditions, management has decided to drop four of the claims and therefore \$5,664 of the acquisition costs were written off.

b) Adrian Property – Operations update:

During the year ended March 31, 2014, the Company incurred \$58,943 in exploration and evaluation expenditures as it commenced the Stage 1 Exploration program recommended for the Adrian Project (as outlined in the Company’s Prospectus). Exploration work was focused on the known vein type mineralization (referred to as Area’s A, C, D and “1134”) and consisted of detailed soil geochemical surveys (designed to assess potential strike extensions and identify any parallel mineralized zones) and systematic trenching and sampling to establish vein thicknesses and provide un-oxidized material for follow-up petrographic work. A total of 162 soil samples and 46 rock samples were collected.

Results of the soil sampling program were mixed. Test surveys completed during 2012 indicated anomalous gold values in soils of up to 245 ppb (0.245 g/t) associated with the known mineralized one. Elevated copper and silver values (spot high results of up to 4,380 ppm copper and 13.6 ppm silver) were recorded during the current survey from samples collected within the known mineralized zone however only weakly anomalous gold, silver and copper results were recorded along strike.

The soil profile lines were extended for up to 200 meters to the northwest and to the southeast of the known mineralized zone but did not identify any obvious parallel zones. Petrographic evaluation of the rock samples collected during the program is ongoing to assess similarities to the historic SNIP gold deposit located approximately 20 kilometers to the south.

During the year ended March 31, 2015, the Company recorded \$1,215 of exploration and evaluation expenditures as an adjustment to the British Columbia Mining Exploration Tax Credit ("BC METC") receivable recorded as at March 31, 2014. A total of \$1,689 BC METC was received during the year ended March 31, 2015.

During the year ended March 31, 2016, the Company spent \$2,000 of exploration and evaluation expenditures for technical reports in compliance with the BC Mines Regulations.

During the year ended March 31, 2017, the Company incurred \$7,777 filing and recording fees required to record the assessment credits with Ministry of Mines. A total of \$1,955 of BC METC was recorded during the year ended March 31, 2017, of which \$400 was received.

There were no exploration and evaluation expenditures incurred during the three months ended June 30, 2017.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's quarterly results for the last eight quarters:

	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015
Expenses	\$24,232	\$17,767	\$6,427	\$10,086	\$13,649	\$21,790	\$14,223	\$24,624
Loss for the period	\$24,232	\$17,767	\$6,427	\$10,086	\$13,649	\$27,454	\$14,223	\$24,624
Weighted average shares outstanding	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000	8,925,000
Loss per share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mineral property acquisition costs	-	-	-	-	-	-	-	-
Mineral property write-down	-	-	-	-	-	\$5,664	-	-
Mineral property exploration costs	-	(1,555)*	(400)*	-	\$7,777	-	-	\$2,000

*BC METC

Staking costs associated with acquiring exploration and evaluation assets are capitalized and classified as intangible assets, whereas exploration and evaluation expenditures are recognized as expenses as they are incurred during the period. Exploration and evaluation expenditures include costs of equipment rental, geochemical analysis, geological surveys, mapping and interpretation.

Management reviews the carrying value of capitalized acquisition costs at least annually. The review is based on the Company's intentions for development of the undeveloped property.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

The Company's operating losses are due to mineral exploration and general and administrative costs, such as accounting and audit and accounting, consulting, office and administration, and rent expenses incurred during the process of managing the Company's operations and to ensure regulatory compliance.

DISCLOSURE OF OUTSTANDING SHARE DATA

As of June 30, 2017 and the date of this MD&A, the Company had 8,925,000 shares outstanding. There are 3,605,000 warrants outstanding as at June 30, 2017 and the date of this MD&A.

RESULTS OF OPERATIONS

Three months ended June 30, 2017 (“Q1 2018”) compared to the three months ended June 30, 2016 (“Q1 2017”)

The loss for the quarter ended June 30, 2017 was \$24,232 compared to \$13,649 for the quarter ended June 30, 2017. The increase was mainly due to increases in filing and transfer agent fees, legal and transaction costs, offset by a decrease in exploration and evaluation costs. Significant cost variances are as follows:

- Exploration and evaluation costs of \$Nil were incurred in Q1 2018 compared to \$7,777 in Q1 2017 for filing and recording fees required to record the assessment credits with Ministry of Mines. No similar costs were recorded in Q1 2018;
- Filing and transfer agent fees of \$4,650 were incurred in Q1 2018 compared to \$825 in Q1 2017. During 2018 Q1, the Company incurred filing and transfer agent fees associated with regulatory filing, printing and mailing of materials to the Company's shareholders for the Company's 2017 annual general meeting. No similar costs were incurred during Q1 2017;
- Legal fees of \$6,389 were incurred in Q1 2018 compared to \$Nil in Q1 2017. During 2018 Q1, the Company incurred legal costs associated with preparing for and holding the Company's 2017 annual general meeting. No similar costs were incurred during Q1 2017; and
- Transaction costs of \$9,000 were incurred in Q1 2018 compared to \$Nil in Q1 2017 for professional and advisory services in relation to a potential transaction the Company is currently working on.

LIQUIDITY AND CAPITAL RESOURCES

The Company's ability to meet its obligations and its ability to finance exploration and development activities depends on its ability to generate cash flow through the issuance of common shares pursuant to private placements, the exercise of warrants and stock options. Capital markets may not always be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. This may be further complicated by the limited liquidity for the Company's shares, restricting access to some institutional investors. The Company's growth and success is dependent on additional external sources of financing which may not be available on acceptable terms.

Working Capital

As of June 30, 2017, the Company's working capital was \$266,451, compared with a \$290,683 working capital as of March 31, 2017. The \$24,232 decrease in working capital was mainly due to spending cash on operating activities.

Cash

On June 30, 2017, the Company had \$288,009 of cash, compared with \$299,332 of cash on March 31, 2017. The decrease in the cash position is due to spending \$11,323 on operating activities which includes mostly filing and transfer agent fees, legal and transaction costs.

Cash Used in Operating Activities

Cash used in the operating activities during the three months ended June 30, 2017 was \$11,323. Cash was mostly spent on filing and transfer agent fees, legal and transaction costs.

Cash used in the operating activities during the three months ended June 30, 2016 was \$4,845. Cash was mostly spent on audit and accounting, exploration and evaluation expenditures, and general and administration fees.

Cash Used in Investing Activities

There were no investing activities during the years ended June 30, 2017 and 2016.

Cash Generated by Financing Activities

There were no financing activities during the years ended June 30, 2017 and 2016.

Requirement of Additional Equity Financing

The Company relies primarily on equity financings for all funds raised to date for its operations. The Company needs more funds to finance its exploration and development programs and ongoing operating costs. Until the Company starts generating profitable operations from extraction of minerals and precious metals, the Company intends to continue relying upon the issuance of equity securities to finance its operations and acquisitions.

GOING CONCERN

The recoverability of amounts shown as mineral property interests is dependent upon the conversion of mineral resources to economically recoverable reserves, the Company's ability to obtain financing to develop the mineral property interests, and the ultimate realization of profits through future production or sale of the mineral property interests.

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. Several conditions discussed below cast substantial doubt on this assumption. The Company has no operating revenue and has an accumulated deficit of \$671,997 as at June 30, 2017. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations, exploration, and development activities and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties and key management personnel consist of companies partially owned by a former director as follows:

	Relationship	Nature of Transactions
CDM Capital Partners Inc.	Partially owned and controlled by the former director of the Company	Accounting and Transaction Costs

During the three months ended June 30, 2017, related party transactions and balances not disclosed elsewhere in these condensed interim financial statements are as follows:

- The Company paid \$2,250 (2016: \$2,250) for accounting fees and \$4,000 (2016: \$Nil) for transaction costs to CDM Capital Partners Inc.

The accounts payable and accrued liabilities of the Company as at June 30, 2017 and as at March 31, 2017 include the following amounts due to related parties:

	June 30, 2017	March 31, 2017
Key management personnel	\$ 1,799	\$ 630

PLAN OF OPERATIONS AND FUNDING

The Company's plan of significant operations for the next twelve months is as follows:

- to finance general and administrative costs of running operations and regulatory compliance estimated at \$77,000;
- to preserve cash at this time and consider further exploration of its project once economic conditions for precious metals exploration and development improves; and
- to investigate other opportunities both within and outside of the mineral exploration industry with a view to creating shareholder value.

To finance the above plans, the Company completed an IPO of 4,000,000 common shares at \$0.20 per common share for gross proceeds of \$800,000 received during the year ended March 31, 2013.

RISK AND UNCERTAINTIES

Readers of this interim MD&A are encourage to read the "Risk and Uncertainties" section of the Company's Annual MD&A dated July 28, 2017 under the Company's SEDAR profile on www.sedar.com. Important risk factors to consider among others are:

- Commodity price risk
- Exploration and development risks
- Environmental risk

CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at June 30, 2017.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental regulatory and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company to meet certain work commitments, and work plans to be conducted by the Company.

With respect to forward-looking statements listed above and contained in this MD&A, the Company has made assumptions regarding, among other things: the legislative and regulatory environment, the impact of increasing competition, unpredictable changes to the market prices for minerals, that costs related to development of mineral properties will remain consistent with historical experiences, anticipated results of exploration activities, and the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth in this MD&A: volatility in the market prices of minerals, uncertainties associated with estimating resources, geological problems, technical problems, exploration problems, processing problems, liabilities and risks including environmental liabilities and risks inherent in the exploration and mining, fluctuations in currency and interest rates, incorrect assessments of the value of acquisitions, unanticipated results of exploration activities, competition for capital, competition for acquisitions of reserves, competition for undeveloped lands, competition for skilled personnel, political risks and unpredictable weather conditions.

ADDITIONAL INFORMATION

For further detail, see the Company's interim financial statements for the three months ended June 30, 2017 and the audited financial statements for the year ended March 31, 2017. Additional information about the Company can also be found on www.sedar.com.

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Officers and Directors

Stephen Kenwood (Chief Executive Officer, President, Corporate Secretary, and Director)
Vivien Chuang (Chief Financial Officer)
Gary Freeman (Director)
Keith Henderson (Director)
Peter Mordaunt (Director)

Auditors

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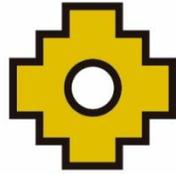
Members of the Compensation Committee

Gary Freeman (Chair)
Stephen Kenwood
Keith Henderson

SCHEDULE "C"

Consolidated financial statements of Chakana for period from
December 1, 2016 (date of incorporation) to August 31, 2017 (audited)

See attached document



CHAKANA
C O P P E R

CHAKANA COPPER CORP.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
TO AUGUST 31, 2017**

(EXPRESSED IN CANADIAN DOLLARS)



Independent Auditor's Report

To the Directors of Chakana Copper Corp.

We have audited the accompanying consolidated financial statements of Chakana Copper Corp., which comprise the consolidated statement of financial position as at August 31, 2017, and the consolidated statement of loss and comprehensive loss, consolidated statement of cash flows and consolidated statement of changes in equity for the period from December 1, 2016 (date of incorporation) to August 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Chakana Copper Corp. as at August 31, 2017, and its financial performance and its cash flows for the period from December 1, 2016 (date of incorporation) to August 31, 2017 in accordance with International Financial Reporting Standards.

Vancouver, B.C.
November 29, 2017

"D&H Group LLP"

Chartered Professional Accountants

CHAKANA COPPER CORP.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2017

(expressed in Canadian Dollars)

	August 31, 2017
ASSETS	
Current Assets	
Cash	\$ 2,889,492
Prepays and other current assets (Note 6)	47,471
	<hr/> 2,936,963
Non-Current Assets	
Exploration and evaluation asset (Note 7)	32,755
Equipment (Note 8)	56,865
	<hr/> Total Assets
	\$ 3,026,583
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current Liabilities	
Accounts payable and accrued liabilities (Note 9)	\$ 410,156
	<hr/> Total Liabilities
	\$ 410,156
Shareholders' Equity	
Common shares (Note 10)	2,985,400
Warrant reserve (Note 11)	840,126
Accumulated and other comprehensive loss	(5,370)
Deficit	(1,203,729)
	<hr/> \$ 2,616,427
	<hr/> Total Liabilities and Shareholders' Equity
	\$ 3,026,583

Nature of Operations (Note 1)

Subsequent Events (Note 21)

Approved on behalf of the Board of Directors

/s/ Tom Wharton

Tom Wharton, Director

/s/ Darren Devine

Darren Devine, Director

The accompanying notes are integral to these consolidated financial statements

CHAKANA COPPER CORP.
CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS
FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION) TO AUGUST 31, 2017

(expressed in Canadian Dollars)

	August 31, 2017
OPERATING EXPENSES	
Consulting fees	\$ 146,589
Exploration and evaluation expenditures (Note 12)	661,436
General and administrative expenses	81,897
Investor relations	7,337
Legal and professional fees	214,854
Travel and entertainment	73,865
Operating Expenses	(1,185,978)
Other Item	
Foreign exchange loss	17,751
Loss Before Income Tax	(1,203,729)
Income Tax Expense (Note 13)	-
Net Loss	(1,203,729)
Other Comprehensive Loss	
Foreign currency translation	(5,370)
Total Comprehensive Loss	\$ (1,209,099)
Basic and diluted loss per share (Note 14)	\$ (0.06)
Weighted average number of shares outstanding (basic and diluted) (Note 14)	20,371,573

The accompanying notes are integral to these consolidated financial statements

CHAKANA COPPER CORP.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION) TO AUGUST 31, 2017

(expressed in Canadian Dollars)

	August 31, 2017
Cash Flows used in Operating Activities	
Net loss	\$ (1,203,729)
Changes in non-cash working capital	
Decrease in prepaids and other current assets	(47,471)
Increase in accounts payable and accrued liabilities.	410,156
	(841,044)
Cash Flows used in Investing Activities	
Purchases of equipment	(56,865)
Acquisition of exploration and evaluation asset	(32,755)
	(89,620)
Cash Flows from Financing Activities	
Gross net proceeds from issuance of common shares	4,048,282
Share issuance cost	(247,757)
Proceeds from exercise of warrants	25,000
	3,825,526
Changes in cash during the period	2,894,862
Foreign exchange on cash	(5,370)
Cash – Beginning of the period	\$ -
Cash – End of the period	\$ 2,889,492

Supplemental cash flow information (Note 17)

CHAKANA COPPER CORP.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION) TO AUGUST 31, 2017

(Expressed in Canadian Dollars, except per share amounts)

	<u>Common Shares</u>		Accumulated Other Comprehensive Loss	Warrant Reserves	Deficit	Total
	Shares	Amount				
Balance – December 1, 2016 (Date of Incorporation)	1	\$ 1	\$ -	\$ -	\$ -	\$ 1
Net loss for the period	-	-	-	-	(1,203,729)	(1,203,729)
Other comprehensive loss for the period	-	-	(5,370)	-	-	(5,370)
Shares issued for:						
Seed shares (Note 10 b(ii))	16,500,000	1,649	-	-	-	1,649
\$0.05 Private placement (Note 10 (iii))	16,216,666	810,833	-	-	-	810,833
\$0.40 Private placement (Note 10 b(v))	8,089,500	3,235,800	-	-	-	3,235,800
Fair value assigned to warrants in private placements		(747,990)	-	747,990	-	-
Share issuance costs		(348,910)	-	101,153	-	(247,757)
Warrant exercise (Note 11)	500,000	34,017	-	(9,017)	-	25,000
Balance – August 31, 2017	41,306,167	\$ 2,985,400	\$ (5,370)	\$ 840,126	\$ (1,203,729)	\$ 2,616,427

The accompanying notes are integral to these consolidated financial statements

1. General Information and Nature of Operations

Chakana Copper Corp. (“Chakana” or the “Corporation”) was incorporated in British Columbia, Canada on December 1, 2016. The Corporation is a natural resource company principally engaged in the exploration and development of the Soledad Project in Peru. The Corporation’s wholly-owned subsidiary, Chakana Resources S.A.C, a limited liability company formed under the laws of the Peru on December 1, 2016, holds an option to acquire 100% interest in the Soledad Project in Peru, and is the operator of all related mineral exploration activities.

The Corporation’s registered and records office is located at 1055 W. Georgia Street, Suite 1500, PO Box 11117, Vancouver, BC V6E 4N7 and its principal business address is #400 – 850 West Hastings Street, Vancouver, BC V6C 1E1.

Nature of Operations

The Corporation is in the process of exploring and developing its mineral properties. The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, successful permitting, the ability of the Corporation to obtain necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of each mineral property. Furthermore, the acquisition of title to mineral properties is a complicated and uncertain process, and while the Corporation has taken steps in accordance with normal industry standards to verify its title to the mineral properties in which it has an interest, there can be no assurance that such title will ultimately be secured. The carrying amounts of mineral properties are based on costs incurred to date, and do not necessarily represent present or future values.

2. Basis of Preparation, Statement of Compliance, and Adoption of International Financial Reporting Standards

(a) Basis of Preparation and Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). These financial statements were approved by the Board of Directors on November 29, 2017.

The Corporation’s financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 15, and are presented in Canadian dollars except where otherwise indicated.

Where fair value is used to measure assets and liabilities in preparing these financial statements, it is estimated at the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair values are determined from inputs that are classified within the fair value hierarchy defined under IFRS as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – Inputs for the asset or liability that are unobservable

3. Significant Accounting Policies

The significant accounting policies used in the preparation of these financial statements are summarized below.

(a) Basis of Consolidation

The Corporation's consolidated financial statements include the accounts of the Corporation and its subsidiary. Subsidiaries are entities controlled by the Corporation, where control is achieved by the Corporation being exposed to, or having rights to, variable returns from its involvement with the entity and having the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation, and are deconsolidated from the date that control ceases.

All inter-company transactions, balances, income and expenses are eliminated on consolidation.

(b) Cash

Cash is comprised of cash at banks.

(c) Exploration and Evaluation Asset

Exploration and evaluation asset is comprised of a mineral property owned by the Corporation and is initially measured at the fair value of the consideration paid for the mineral rights acquired. The amounts shown for mineral property represents the cost of acquisition and do not reflect present or future values. These costs will be amortized against future production or written off if the assets are abandoned or sold.

Exploration and evaluation costs, except for the cost of acquisition, are expensed as incurred until management has determined that there is sufficient evidence to show the technical feasibility and commercial viability of the extraction of the mineral resources from the mineral properties. Once technical feasibility and commercial viability is demonstrated in the mineral properties, exploration and evaluation expenditures are capitalized as exploration and evaluation assets.

At each reporting date, exploration and evaluation assets are tested for indications of impairment.

(d) Equipment

Equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment comprises of its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in a manner intended by management.

The cost of equipment, less residual value (if any), is depreciated over the estimated useful life of the asset on a straight-line basis as follows:

Machinery and Equipment	3-10 years
-------------------------	------------

Where components of an item of property and equipment have different useful lives or for which different depreciation rates would be appropriate, they are accounted for as separate items of property and equipment.

An item of property and equipment is derecognized upon disposal or replacement. Any gains or loss arising on recognition of the asset (calculated as the difference between the net proceeds of disposition and the carrying amount of the asset) is included on the Consolidated Statement of Operations and Comprehensive Income (Loss) when the asset is derecognized.

(e) Impairment

Impairment tests for non-current assets are performed when there is an indication of impairment. At each reporting date, an assessment is made to determine whether there are any indications of impairment. If any indication of impairment exists, an estimate of the non-current asset's recoverable amount is calculated. The recoverable amount is determined at the higher of fair value less costs of disposal and the asset's value in use. If the carrying value of a non-current asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to profit and loss so as to reduce the carrying amount of the non-current asset to its recoverable amount.

(f) Current and Deferred Income Taxes

Income tax expense comprises current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss except to the extent that they relate to a business combination or to items recognized directly in equity or in other comprehensive income.

Current income taxes are the expected taxes payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to taxes payable in respect of previous periods.

Deferred income taxes are recognized using the liability method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. However, deferred income taxes are not recognized if they arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit nor loss.

Deferred income taxes are determined using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets and liabilities are presented as non-current in the financial statements.

Deferred income tax assets and liabilities are offset if there is a legally enforceable right of offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the assets can be utilized.

(g) Warrants

When the Corporation issues units that are comprised of a combination of shares and warrants, the value is assigned to shares and warrants based on the residual value method. The fair value assigned to the warrants is determined based on a Black-Scholes option pricing model. The value of the shares is then determined by the proceeds from the issuance of units less the calculated fair value of the warrants.

(h) Share-based Payment Transactions

The Corporation has a stock option plan that provides for the granting of options to officers, directors, consultants and related company employees to acquire shares of the Corporation. The fair value of the options is measured on grant date and is recognized as an expense with a corresponding increase in reserves as the options vest. Options granted to employees and others providing similar services are measured on grant date at the fair value of the instruments issued. Fair value is determined using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number

of share options that are expected to vest. Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis.

Options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received. On vesting, share-based payments are recorded as an operating expense and as reserves. When options are exercised, the consideration received is recorded as share capital. In addition, the related share-based payments originally recorded as contributed surplus are transferred to share capital. When an option is cancelled, or expires, the initial recorded value is reversed and charged to deficit.

(i) Related Party Transactions

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

(j) Foreign Currencies

The consolidated financial statements are presented in Canadian dollars. The functional currency of the Corporation and its controlled entities are measured using the principal currency of the primary economic environment in which each entity operates. The functional currency of the Canadian entity is in Canadian dollars, and the functional currency of the Chakana Resources S.A.C is U.S. dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are retranslated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Foreign exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the costs of assets when they are regarded as an adjustment to interest costs on those currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation which settlement is neither planned nor likely to occur, which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(k) Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing the net income (loss) for the period by the weighted average number of common shares outstanding during the period.

Diluted earnings (loss) per share is calculated using the treasury share method whereby all "in the money" options, warrants and equivalents are assumed to have been exercised at the beginning of the period and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period.

Where dilutive potential ordinary shares have an anti-dilutive impact they are excluded from the calculation of diluted earnings (loss) per share.

(l) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(m) Financial Instruments

Financial assets and financial liabilities are recognized when the Corporation becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset (i) held for trading, or (ii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Corporation manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Corporation has the positive intent and ability to hold to maturity. Subsequent to initial recognition, held to maturity investments are measured at amortized cost using the effective interest method less any impairment.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including cash) are measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

AFS financial assets

Investments and other assets are classified as AFS and are stated at fair value. Gains and losses arising from changes in fair value are recognized in other comprehensive income. Impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, are recognized directly in profit or loss rather than equity. When an investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in the investments revaluation reserve is included in profit or loss.

The fair value of AFS monetary assets denominated in a foreign currency are translated at the spot rate at the statement of financial position date. The change in fair value attributable to translation differences on amortized cost of the asset is recognized in profit or loss, while other changes are recognized in equity. The Corporation does not hold any AFS financial assets.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments;
- it has become probable that the borrower will enter bankruptcy or financial reorganization; or
- a significant or prolonged decline in value.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized; the previously recognized impairment loss is reversed through profit or loss. The impairment on AFS equity instruments is not reversed if the value of the AFS equity investments subsequently increases. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

Derecognition of financial assets

A financial asset is derecognized when:

- the contractual right to the asset's cash flows expire; or
- if the Corporation transfers the financial asset and substantially all risks and rewards of ownership to another entity.

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Corporation are recorded at the proceeds received, net of direct issue costs. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial liability.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Corporation has classified accounts payable and accrued liabilities, and subscriptions payable as other financial liabilities.

Derecognition of financial liabilities

The Corporation derecognizes financial liabilities when, and only when, the Corporation's obligations are discharged, cancelled or they expire.

(n) Fair Value Measurement

Where fair value is used to measure assets and liabilities in preparing these financial statements, it is estimated at the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair values are determined from inputs that are classified within the fair value hierarchy defined under IFRS as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – Inputs for the asset or liability that are unobservable

4. Significant Accounting Judgments and Estimates

The preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ significantly from these estimates.

Judgments that have the most significant effect on the amounts recognized in the Corporation's consolidated financial statements are as follows

- *Exploration and Evaluation Asset*

The net carrying value of the exploration asset is reviewed regularly for conditions that suggest potential indications impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future.

- *Going Concern*

The assessment of the Corporation's ability to continue as a going concern involves critical judgement based on historical experience and expectations of the Corporation's ability to generate adequate financing. Significant judgements are used in the Corporation's assessment of its ability to continue as a going concern.

- *Income taxes*

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases ("temporary differences"), and losses carried forward.

The determination of the ability of the Corporation to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgement and make certain assumptions about the future performance of the Corporation. Management is required to assess whether it is probable that the Corporation will benefit from these prior losses and other deferred tax assets. Change in economic conditions, metal prices and other factors could result in revision to the estimates of the benefits to be realized or the timing of utilizing the losses.

- *Functional Currency*

The functional currency for the Corporation's subsidiary is the U.S. dollar - the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Corporation reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

5. Accounting Standards and Amendments Issued but Not yet Adopted

The IASB has issued or amended a number of new standards that were not effective at August 31, 2017. These standards have not been early adopted in these consolidated financial statements.

IFRS 7, Financial Instruments Disclosures (effective January 1, 2018) requires new disclosures resulting from the amendments to IFRS 9.

IFRS 9, Financial Instruments (effective January 1, 2018) introduces new requirements for the classification and measurement of financial assets and liabilities.

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRS Interpretations Committee ("IFRIC") 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Asset from Customers, and SIC 31 Revenue Barter Transactions involving Advertising Services. IFRS 15 establishes a single five-step framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Corporation is currently evaluating the impact the standard is expected to have on its consolidated financial statements.

IFRS 16, Leases was issued in January 2016 (effective January 1, 2019) and provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Corporation is currently evaluating the impact the standard is expected to have on its consolidated financial statements.

6. Prepaids and other current assets

	August 31, 2017
GST receivable	\$ 2,132
Prepaid expenses	45,339
	\$ 47,471

7. Exploration and Evaluation Asset

	Total Soledad Project, Peru
Balance – December 1, 2016 (Date of Incorporation)	\$ -
Acquisition cost	32,755
Balance – August 31, 2017	\$ 32,755

Soledad Project, Peru

On April 17, 2017, the Corporation entered into the Mining Assignment and Option Agreement with Minera Vertiente del Sol SAC ("MVS") (the "Agreement") a subsidiary of Condor Resources Inc. ("Condor"), pursuant to which the Corporation has the sole and exclusive option to acquire 100% of the rights and interests in the Soledad Project, subject to a 2% net smelter return royalty ("NSR"). The closing date for the Agreement was June 23, 2017.

The Corporation's option to acquire rights and interests in the Soledad Project is exercisable by issuing 500,000 common shares, paying a total of USD \$5,375,000, and incurring work expenditures on the Soledad Project.

The Option exercise payments schedule are as follows:

Installment	Date	Amount (in USD\$)
1	February 2017 (paid)	\$10,000
2	Upon signing the Agreement on April 17, 2017 (paid)	\$15,000
3	Six (6) months counted as from June 23, 2017	\$25,000
4	Twelve (12) months counted as from June 23, 2017	\$50,000
5	Eighteen (18) months counted as from June 23, 2017	\$50,000
6	Twenty-four (24) months counted as from June 23, 2017	\$75,000
7	Thirty (30) months counted as from June 23, 2017	\$75,000
8	Thirty-six (36) months counted as from June 23, 2017	\$100,000
9	Forty-two (42) months counted as from June 23, 2017	\$150,000
10	Forty-eight (48) months counted as from June 23, 2017	\$200,000
11	Fifty-four (54) months counted as from June 23, 2017	\$4,625,000
Total		\$5,375,000

As at August 31, 2017, the Corporation has paid instalments 1 and 2, totalling USD \$25,000.

Upon commencing of commercial production on the Soledad Project, the Corporation is required to make NSR payments to MVS as follows:

Years	Amount per year (in USD\$)
From the sixth to the tenth year, counted as from June 23, 2017	\$25,000
From the eleventh to the fifteenth year, counted as from June 23, 2017	\$60,000
From the sixteenth year on, counted as from June 23, 2017	\$100,000
	\$185,000

Under the Mining Assignment and Option Agreement, the Corporation may purchase from MVS 50% of the NSR, equal to a 1% NSR, for the total amount of USD \$2,000,000.

Pursuant to the Mining Assignment and Option Agreement, the Corporation must complete 12,500 meters of exploration drilling ("Drilling Schedule") on the Soledad Project according to the following schedule:

CHAKANA COPPER CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION) TO AUGUST 31, 2017
(expressed in Canadian dollars)

Stage	Meters (m)	Date
i	3,000 m	Within eighteen (18) months counted since June 23, 2017
ii	2,500 m	Within thirty (30) months counted since June 23, 2017
iii	3,000 m	Within forty-two (42) months counted since June 23, 2017; and,
iv	4,000 m	Within fifty-four (54) months counted since June 23, 2017.
Total	12,500 m	

In the event of non-compliance with the Drilling Schedule, the Corporation is required to pay MVS 100% of the total cost of the unrealized drilling at USD \$100 per meter. The Corporation is permitted to offset a portion of the drilling requirements by certain making investments toward the development of the Soledad Project ("Credible Investments"). A maximum of 40% of the drilling meters required by the Drilling Schedule are permitted to be replaced with Credible investments.

As at August 31, 2017, the Corporation has drilled 1,087 meters and incurred \$661,436 of exploration expenditures on the Soledad project. As of August 31, 2017, the Corporation has not made any Creditible Investments.

History of the Soledad Project

Disclosed in the financial statements of Condor, the company acquired ownership of a Peruvian incorporated company MVS, and transferred ownership of the Soledad concessions into MVS. In February 2016, Condor entered into a comprehensive agreement with Compania Minera Casapalca S.A. ("Casapalca") which granted Casapalca a two-stage option to earn up to 70% interest in the Soledad project in the Aija Province, Peru. In February 2017, Casapalca terminated the option earn-in agreement on the Soledad property. Condor has not spent any significant expenditures towards the Soledad Project.

8. Equipment

	Equipment
Cost	
As at December 1, 2016 (Date of Incorporation)	\$ -
Additions:	56,865
Disposals	-
As at August 31, 2017	\$ 56,865
Accumulated depreciation	
As at December 1, 2016 (Date of Incorporation)	\$ -
Depreciation	-
Disposals	-
As at August 31, 2017	\$ -
Net Book Value	
As at August 31, 2017	\$ 56,865

9. Accounts Payable and Accrued Liabilities

	August 31, 2017
Accounts Payable	\$ 115,575
Accrued Liabilities	294,581
	\$ 410,156

Included in accounts payable are amounts totalling \$49,557 due to related parties.

10. Share Capital

(a) Authorized Share Capital

The Corporation is authorized to issue an unlimited number of common shares without par value. At August 31 2017, the Corporation had 41,306,167 common shares outstanding.

(b) Issued Share Capital

During period from December 1, 2016 (Date of Incorporation) to August 31, 2017, the Corporation issued common shares as follows:

- (i.) On December 1, 2016 (Date of Incorporation), the Corporation issued 1 incorporation share for gross proceeds of \$1.
- (ii.) On March 17, 2017, the Corporation issued 16,500,000 seed shares at a price of \$0.0001 per share for gross proceeds of \$1,649.
- (iii.) On April 7 and 20, 2017, the Corporation issued a total of 16,216,666 units at a price of \$0.05 per unit for gross proceeds of \$810,833. Each unit comprised of one share and one half of a warrant. Each whole warrant is exercisable at \$0.05 per share for a period of 12 months from the date of issue.
- (iv.) On June 12, 2017, the Corporation issued 500,000 common shares through the exercise of 500,000 share purchase warrants for aggregate proceeds of \$25,000.
- (v.) Between June 28, 2017 and July 29, 2017, the Corporation issued a total of 8,089,500 units at a price of \$0.40 per unit for gross proceeds of \$3,235,800. Each unit comprised of one common share and one half share purchase warrant. Each whole warrant is exercisable at \$0.60 per share for a period of 18 months from the date of issue. Share issuance costs consist of finders' fees of \$187,740 paid in cash, issuance of 893,301 finders' warrants, exercisable at \$0.40 per share for a period of 24 months from the date of issue, and legal fees of \$60,017.

11. Warrants

Details regarding warrants issued and outstanding are summarized as follows:

	Weighted Average exercise price	Number of shares issued or issuable on exercise
Balance – December 1, 2016 (Date of Incorporation)		-
Issuance of warrants	\$0.23	12,622,434
Exercise of warrants	\$0.05	(500,000)
Balance – August 31, 2017	\$0.24	12,122,434

The expiry of warrants are as follows:

Grant Date	Expiry Date	Number of warrants issued	Weighted Average Exercise Price
April 7, 2017	April 7, 2018	6,708,333	\$0.05
April 20, 2017	April 20, 2018	900,000	\$0.05
June 29, 2017	December 29, 2018	2,973,500	\$0.60
June 29, 2017	June 29, 2019	230,551	\$0.40
July 17, 2017	January 17, 2019	475,000	\$0.60
July 17, 2017	July 17, 2019	66,500	\$0.40
July 28, 2017	January 28, 2019	596,250	\$0.60
July 28, 2017	July 28, 2019	172,300	\$0.40
		12,122,434	\$0.23

During the period from December 1, 2016 (Date of Incorporation) to August 31, 2017, the Corporation issued 12,622,434 share purchase warrants and recorded a total fair value of \$849,143

The fair value of the warrants has been estimated using the Black-Scholes Option Pricing Model assuming a risk-free interest rate ranging from 0.72% to 1.31 % an expected life of 1 to 2 years, an expected volatility ranging from 93.04% to 116.99%, and no expected dividends. The expected volatility was determined using the average historical volatility of similar entities that are publicly listed on the basis that the Corporation has limited historical information.

12. Exploration and Evaluation Expenditures

For the period from December 1, 2016 (Date of Incorporation) to August, 31, 2017, the Corporation incurred exploration and evaluation expenditures as follows:

	August 31, 2017
Drilling	\$ 144,430
Exploration support and administration	228,317
Field operations and consumables	75,524
Geological consultants	143,816
Sampling and geological costs	26,567
Transportation	42,782
	\$ 661,436

13. Income Taxes

Income tax reconciliation

A reconciliation of taxes at statutory rates with period income taxes is as follows:

	August 31, 2017
Loss before income taxes	\$(1,203,729)
Statutory tax rate	26%
Expense (recovery) at statutory rate	(312,970)
Effect of different foreign statutory rates	(32,499)
Permanent differences	(4,312)
Net change in benefits of tax attributes previously not recognized	349,781
Income tax expense (recovery)	\$ -

As at August 31, 2017, the Corporation has \$nil deferred tax assets (liabilities).

Tax Attributes Not Recognized

	August 31, 2017
Non-capital losses	\$ 349,781
Share issuance costs	54,746
Other	-
Total	\$ 404,527

As at August 31, 2017, the Corporation has non-capital losses of approximately \$ 391,263 carried forward for Canadian income tax purposes and are available to reduce Canadian taxable income in future years. These non-capital losses expire August 31, 2037.

The Corporation also has non-capital losses of approximately \$ 812,466 carried forward for Peruvian income tax purposes which are available for application against future taxable income. These non-capital losses expire August 31, 2022.

Future income tax benefits which may arise as a result of these losses have not been recognized in the financial statements as their realization is unlikely.

14. Loss Per Share

The following table sets forth the computation of basic and diluted loss per share for the period from December 1, 2016 (Date of Incorporation) to August 31, 2017:

	August 31, 2017
Numerator	
Net loss for the period	\$ (1,203,729)
Denominator	
Basic – weighted average number of shares outstanding	20,371,573
Effect of dilutive securities	-
Diluted – adjusted weighted average number of shares outstanding	20,371,573
Loss Per Share – Basic and Diluted	\$(0.06)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period.

The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive.

There were 12,122,434 share purchase warrants excluded from the calculation of diluted weighted average number of common shares outstanding during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017 as they were anti-dilutive since the Corporation was in a loss position.

15. Financial Instruments

Financial Assets and Liabilities

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Corporation considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Corporation's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from inputs that are unobservable inputs for the asset or liability.

The recorded amounts accounts payable and accrued liabilities approximate their fair value due to their short term nature. The Corporation's fair value of cash under the fair value hierarchy is measured using Level 1 inputs.

As at August 31, 2017, the Corporation does not have any level 2 financial liabilities. The Corporation does not have level 3 financial assets or liabilities.

There were no transfers between level 1 and 2 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017.

Financial Instrument Risk Exposure

The Corporation's financial instruments expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions are undertaken to support those operations. Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates the financial risks in co-operation with the Corporation's operating units. The Corporation's overall risk management program seeks to minimize potential adverse effects on the Corporation's financial performance, in the context of its general capital management objectives as further described in Note 16.

Concentration of Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation's primary exposure to credit risk is in its cash accounts.

The Corporation's maximum exposure to credit risk at the date of the statement of financial position from its financial instruments is summarized as follows:

	August 31, 2017
Cash	\$ 2,889,492
	\$ 2,889,492

The Corporation manages credit risk on liquid financial assets through maintaining its cash with high quality financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation has a planning and budgeting process in place by which it anticipates and determines the funds required to support its normal operating requirements.

The Corporation's ongoing liquidity is impacted by various external events and conditions. The Corporation expects to repay its financial liabilities in the normal course of operations and to fund future operational and capital requirements through operating cash flows, as well as future equity and debt financing.

The Corporation coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 16. The Corporation's financial liabilities are comprised of its accounts payable and accrued liabilities of which at August 31, 2017 are summarized as follows:

	August 31, 2017
Accounts payable and accrued liabilities with contractual maturities -	
Within 90 days or less	\$ 410,156
Later than 90 days, not later than one year	-
	\$ 410,156

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Corporation is exposed to interest rate risk of cash balances. The Corporation periodically monitors cash balances and is of the opinion that it has no significant exposure at August 31, 2017 to interest rate risk through its other financial instruments.

Currency Risk

Currency risk is the risk that the Corporation will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Corporation is exposed to foreign currency risk on fluctuations related to cash, receivables, prepayments, and accrued liabilities that are denominated in U.S. Dollars, and Canadian Dollars. The Corporation has not used derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

At August 31, 2017, the Corporation is exposed to currency risk at the balance sheet date through the following financial assets and liabilities, which are denominated in U.S. dollars:

	U.S. Dollar
Cash	\$ 22,875
	\$ 22,875

Based on the above net exposure at August 31, 2017, a 10% depreciation or appreciation of the U.S. dollar against the Canadian dollar would result in an approximately \$2,288 decrease or increase respectively in both net and comprehensive loss. The Corporation has not employed any currency hedging programs during the current period.

16. Management of Capital

The Corporation's primary objectives in capital management are to safeguard the Corporation's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the development of the Soledad Project. Capital is comprised of the Corporation's shareholders' equity. The Corporation 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. To maintain or adjust its capital structure, the Corporation may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

17. Supplemental Cash Flow Information

The Corporation did not make any cash payments and had no cash receipts for interest or income taxes during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017.

18. Segmented Information

The Corporation's exploration and evaluation activities are located in Peru, with its head office function in Canada. All of the Corporation's capital assets, including equipment and the exploration and evaluation asset are located in Peru.

19. Related Party Disclosures

The Corporation's related parties include key management personnel and companies related by way of directors or shareholders in common.

(a) Key Management Personnel Compensation

During the period from December 1, 2016 (Date of Incorporation) to August 31, 2017, the Corporation paid and/or accrued the following fees to key management personnel:

	August 31, 2017
Management	\$ 58,457
Directors	48,999
	\$ 107,456

Key management includes the Corporation's Board of Directors and members of senior management.

(b) Due to Related Parties

As at August 31, 2017 the Corporation has the following amounts due to related parties:

	August 31, 2017
Management	\$ 39,557
Directors	10,000
	\$ 49,557

20. Commitments under operating leases

The Corporation leases various premises under operating leases which expire from May 2, 2018 to July 31, 2018. The Corporation is obligated to make \$ 78,519 in minimum lease payments under the premise leases in the fiscal year ending August 31, 2018.

21. Subsequent Events

- (a) On September 14, 2017, the company issued 3,635,000 share purchase options exercisable within 5 years from the date of grant at a price of \$0.40 per share and vest immediately.
- (b) On October 4, 2017, the Corporation and Remo Resources Inc. ("Remo" a Capital Pool Company listed on the NEX Board of the TSX Venture Exchange ("TSXV")) entered into an Amalgamation (the "Agreement"), whereby Remo will acquire all of the issued and outstanding capital stock of the Corporation, as a means by which the Corporation will attain a public listing of its common shares (the "Proposed Transaction").

Pursuant to the Agreement:

- The Proposed Transaction will be effected by way of a three-cornered amalgamation without court approval under the Business Corporation Act (British Columbia), pursuant to which Remo will

- acquire, through the amalgamation of a newly incorporated British Columbia subsidiary of Remo with the Corporation, all of the issued and outstanding shares of the Corporation, in exchange for common shares of Remo and the Corporation will become a subsidiary of Remo.
- Prior to the closing of the Proposed Transaction, Remo will change its name to Chakana Copper Corp., or such other name as agreed by the parties, and will complete a consolidation of the Remo shares on the basis of a one post-consolidated Remo share for every 6.865385 pre-consolidated Remo share.
 - Upon completion of the Proposed Transaction, all of the outstanding share purchase warrants of the Corporation will cease to represent the right to acquire the Corporation's shares and will instead provide the right to acquire post-consolidation Remo shares, all in accordance with the adjustment provisions provided in the certificates representing the warrants.
 - In connection with the Proposed Transaction, Remo will issue an aggregate of 200,000 post-consolidation Remo shares to certain arm's length third parties as finder's fees in accordance with the TSXV Exchange policies.
- (c) On October 3, 2017, the Corporation signed a binding letter of intent ("LOI") with a third party, pursuant to which the Corporation has the sole and exclusive option (the "Option") to acquire 100% of the rights and interest for the Aija Project. The Option includes 3 principal concessions, and 7 smaller parcels within one of the principal concessions, totalling 574.71 hectares. These concessions are in close proximity to the Corporation's Soledad Project.

The Option exercise payments schedule are as follows:

Installment	Date	Amount (in USD\$)
1	Upon execution of LOI	\$75,000
2	Upon signing of definitive agreement	\$75,000
3	6 months counted as from definitive agreement date	\$50,000
4	12 months counted as from definitive agreement date	\$50,000
5	18 months counted as from definitive agreement date	\$75,000
6	24 months counted as from definitive agreement date	\$75,000
7	30 months counted as from definitive agreement date	\$100,000
8	36 months counted as from definitive agreement date	\$100,000
9	42 months counted as from definitive agreement date	\$100,000
10	48 months counted as from definitive agreement date	\$100,000
11	54 months counted as from definitive agreement date	\$1,500,000
Total		\$2,300,000

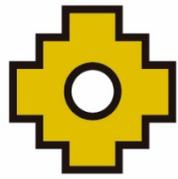
Under the terms of the Option, the third-party is entitled 2% NSR which the Corporation may purchase anytime for USD \$2,000,000.

- (d) On November 7 and 9, 2017, the Corporation issued 8,602,500 common shares for gross proceeds of \$4,301,250 and 11,397,500 subscription receipts for gross proceeds of \$5,698,750, respectively. The subscriptions receipts will be held in escrow until the closing of the Proposed Transaction; whereby, all subscription receipts will be exchanged for post-consolidated shares of Remo on the closing date of the Proposed Transaction. In connection with the share offering, the Corporation incurred share issuance costs of \$75,075 commission paid in cash, issued 127,715 finders' shares, and 277,865 finders warrants. Upon the closing of the Proposed Transaction, additional share issuance costs of \$248,413 cash commissions are expected to be paid, and 43,000 finders' shares and 539,825 finders' warrants are expected to be issued.

SCHEDULE “D”

Management’s Discussion and Analysis of Chakana for for the period from December 1, 2016 (date of incorporation) to August 31, 2017

See attached document



CHAKANA
C O P P E R

**CHAKANA COPPER CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS ("MDA&A")
FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
TO AUGUST 31, 2017**

GENERAL

This Management Discussion and Analysis of Chakana Copper Corp. (“Chakana” or the “Corporation”) (“MD&A”) is dated November 29, 2017, provides analysis of the Corporation’s financial results for the period from December 1, 2016 (Date of Incorporation) to August 31, 2017. The following information should be read in conjunction with the accompanying audited consolidated financial statements for the period from December 1, 2016 (Date of Incorporation) to August 31, 2017 with accompanying notes which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

There can be no assurance that such information will prove to be accurate, and readers are cautioned not to place undue reliance on this forward-looking information.

All dollar figures are expressed in Canadian dollars unless otherwise stated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may be deemed “forward-looking statements”, including statements regarding developments in the Corporation’s operations in future periods, adequacy of financial resources and future plans and objectives of Corporation. All statements in this document, other than statements of historical fact, which address events or developments that the Corporation expects to occur, are forward looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential”, “interprets” and similar expressions, or events or conditions that “will”, “would”, “may”, “could” or “should” occur. Forward-looking statements in this document include statements regarding future exploration programs, liquidity and effects of accounting policy changes.

Although the Corporation believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers are cautioned not to place undue reliance on this forward-looking information.

Forward-looking statements are based on the beliefs, estimates and opinions of the Corporation’s management on the date the statements are made. The Corporation undertakes no obligation to update these forward-looking statements in the event that Management’s beliefs, estimates, opinions or other factors should change except as required by law.

These statements are based on a number of assumptions including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Corporation and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Corporation’s proposed transactions and exploration and development programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.

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FOR THE PERIOD FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
TO AUGUST 31, 2017

COMPANY OVERVIEW

Chakana Copper Corp. ("Chakana" or the "Corporation") was incorporated in British Columbia, Canada on December 1, 2016. The Corporation is a natural resource company principally engaged in the exploration and development of the Soledad Project in Peru. The Corporation's wholly-owned subsidiary, Chakana Resources S.A.C, a limited liability company formed under the laws of the Peru on December 1, 2016, holds the option to acquire 100% ownership interest in the Soledad Project in Peru, and is the operator of all related mineral exploration activities.

The Corporation's registered and records office is located at 1055 W. Georgia Street, Suite 1500, PO Box 11117, Vancouver, BC V6E 4N7 and its principal business address is #400 – 850 West Hastings Street, Vancouver, BC V6C 1E1.

PROPOSED TRANSACTION

On October 4, 2017, the Corporation and Remo Resources Inc. ("Remo" a Capital Pool Company listed on the NEX Board of the TSX Venture Exchange ("TSXV")) entered into an Amalgamation (the "Agreement"), whereby Remo will acquire all of the issued and outstanding capital stock of the Corporation, as a means by which the Corporation will attain a public listing of its common shares (the "Proposed Transaction").

Pursuant to the Agreement:

- The Proposed Transaction will be effected by way of a three-corner amalgamation without court approval under the Business Corporation Act (British Columbia), pursuant to which Remo will acquire, through the amalgamation of a newly incorporated British Columbia subsidiary of Remo with the Corporation, all of the issued and outstanding shares of the Corporation, in exchange for common shares of Remo and the Corporation will become a subsidiary of Remo.
- Prior to the closing of the Proposed Transaction, Remo will change its name to Chakana Copper Corp., or such other name as agreed by the parties, and will complete a consolidation of the Remo shares on the basis of a one post-consolidated Remo share for every 6.865385 pre-consolidated Remo share.
- Upon completion of the Proposed Transaction, all of the outstanding share purchase warrants of the Corporation will cease to represent the right to acquire the Corporation's shares and will instead provide the right to acquire post-consolidation Remo shares, all in accordance with the adjustment provisions provided in the certificates representing the warrants.
- In connection with the Proposed Transaction, Remo will issue an aggregate of 200,000 post-consolidation Remo shares to certain arm's length third parties as finder's fees in accordance with the TSXV Exchange policies.

RECENT FINANCINGS

On November 13, 2017, the Corporation issued 8,602,500 common shares for gross proceeds of \$4,301,250 and 11,397,500 subscription receipts for gross proceeds of \$5,698,750. The subscriptions receipts will be held in escrow until the closing of the Proposed Transaction; whereby, all subscription receipts will be exchanged for post-consolidated shares of Remo on the closing date of the Proposed Transaction. In connection with the share offering, the Corporation incurred share issuance costs of \$323,488 commission paid in cash, issued 170,715 finders' shares, and 817,690 finders warrants. Including the period from December 1, 2016 (Date of Incorporation) to August, 31, 2017, the Corporation has raised over \$14 million. Proceeds from the financings will be used to execute the Corporation's exploration and drilling program on the Soledad Project, and general working capital purposes.

MINERAL PROPERTY EXPLORATION ACTIVITIES

The Corporation is engaged in investigation, evaluation and conducting exploration activities in the Peru. The Corporation's wholly-owned subsidiary Chakana Resources SAC holds the option to acquire 100% ownership interest in the Soledad Project in Peru (the "Soledad Project"), and is the operator of all related mineral exploration activities.

CHAKANA COPPER CORP.

FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
TO AUGUST 31, 2017

On April 17, 2017, The Corporation entered into the Mining Assignment and Option Agreement with Minera Vertiente Del Sol S.A.C. ("MVS"), a Peruvian subsidiary of Condor Resources Inc. ("Condor"), pursuant to which the Corporation has the sole and exclusive option to acquire 100% of the rights and interests in the Soledad Project, subject to a 2% net smelter return royalty ("NSR").

The Corporation's option to acquire rights and interests in the Soledad Project is exercisable by issuing 500,000 common shares, paying a total of USD \$5,375,000, and incurring work expenditures on the Soledad Project.

The Option exercise payments schedule is as follows:

Installment	Date	Amount (in USD \$)
1	January 15, 2017	\$10,000
2	March and April 2017	\$15,000
3	Six (6) months counted as from June 23, 2017	\$25,000
4	Twelve (12) months counted as from June 23, 2017	\$50,000
5	Eighteen (18) months counted as from June 23, 2017	\$50,000
6	Twenty-four (24) months counted as from June 23, 2017	\$75,000
7	Thirty (30) months counted as from June 23, 2017	\$75,000
8	Thirty-six (36) months counted as from June 23, 2017	\$100,000
9	Forty-two (42) months counted as from June 23, 2017	\$150,000
10	Forty-eight (48) months counted as from June 23, 2017	\$200,000
11	Fifty-four (54) months counted as from June 23, 2017	\$4,625,000
Total		\$5,375,000

As at August 31, 2017, the Corporation has paid instalments 1 and 2, totalling USD \$25,000.

Upon commencing of commercial production on the Soledad Project, the Corporation is required to make NSR payments to MVS as follows:

Years	Amount per year (in USD\$)
From the sixth to the tenth year, counted as from June 23, 2017	\$25,000
From the eleventh to the fifteenth year, counted as from June 23, 2017	\$60,000
From the sixteenth year on, counted as from June 23, 2017	\$100,000
	\$185,000

Under the Mining Assignment and Option Agreement, the Corporation may purchase from MVS 50% of the NSR, equal to a 1% NSR, for the total amount of USD \$2,000,000.

CHAKANA COPPER CORP.
 FOR THE PERIOD FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
 TO AUGUST 31, 2017

Pursuant to the Mining Assignment and Option Agreement, the Corporation must complete 12,500 meters of exploration drilling (“Drilling Schedule”) on the Soledad Project according to the following schedule:

Stage	Meters (m)	Date
i	3,000 m	Within eighteen (18) months counted since June 23, 2017
ii	2,500 m	Within thirty (30) months counted since June 23, 2017
iii	3,300 m	Within forty-two (42) months counted since June 23, 2017; and,
iv	4,400 m	Within fifty-four (54) months counted since June 23, 2017.
Total	12,500 m	

In the event of non-compliance with the Drilling Schedule, the Corporation is required to pay MVS 100% of the total cost of the unrealized drilling at USD \$100 per meter. The Corporation is permitted to offset a portion of the drilling requirements by certain making investments toward the development of the Soledad Project (“Credible Investments”). A maximum of 40% of the drilling meters required by the Drilling Schedule are permitted to be replaced with Credible investments.

As at August 31, 2017, the Corporation has drilled 1,087 meters and incurred \$661,436 exploration expenditures on the Soledad project. As of August 31, 2017, the Corporation has not made any Credit Investments.

On October 3, 2017, the Corporation signed a binding letter of intent (“LOI”) with a third party, pursuant to which the Corporation has the sole and exclusive option (the “Option”) to acquire 100% of the rights and interest for the Aija Project. The Option includes 3 principal concessions, and 7 smaller parcels within one of the principal concessions, totalling 574.71 hectares. These concessions are in close proximity to the Corporation’s Soledad Project.

The Option exercise payments schedule are as follows:

Installment	Date	Amount (in USD\$)
1	Upon execution of LOI	\$75,000
2	Upon signing of definitive agreement	\$75,000
3	6 months counted as from definitive agreement date	\$50,000
4	12 months counted as from definitive agreement date	\$50,000
5	18 months counted as from definitive agreement date	\$75,000
6	24 months counted as from definitive agreement date	\$75,000
7	30 months counted as from definitive agreement date	\$100,000
8	36 months counted as from definitive agreement date	\$100,000
9	42 months counted as from definitive agreement date	\$100,000
10	48 months counted as from definitive agreement date	\$100,000
11	54 months counted as from definitive agreement date	\$1,500,000
Total		\$2,300,000

Under the terms of the Option, the third-party is entitled 2% NSR which the Corporation may purchase anytime for USD \$2,000,000.

SELECTED ANNUAL INFORMATION

	August 31, 2017
	\$
Current Assets	2,936,963
Current Liabilities	410,156
Total Assets	3,026,583
Total Liabilities	410,156
Operating Expenses	1,185,978
Total Expenses	1,185,978
Net Loss	(1,203,729)
Loss per share	(0.06)

RESULTS OF OPERATIONS FOR THE PERIOD FROM DECEMBER 31, 2016 (DATE OF INCORPORATION) TO AUGUST 31, 2017

Total operating expenses for December 1, 2016 (Date of Incorporation) to August 31, 2017 were \$1,185,978. The significant expenditures were as follows:

- Exploration and evaluation expenditures were \$661,436 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017, inclusive of drilling expenses of \$144,430, exploration support and administration of \$228,317, geological consulting of \$143,816, and field expenses of \$75,524.
- Consulting expenses were \$146,589 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017. General and administrative expenses were \$81,897 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017. Travelling expenses were \$73,865 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017. Consulting, administrative and travelling expenses were primarily incurred by the management and operations team directly responsible for the public listing process.

As a result of the foregoing, the Corporation recorded a comprehensive loss of \$1,209,099 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017.

CAPITAL STRUCTURE

As of the date of this MD&A, the Corporation has 50,036,382 common shares issued and outstanding.

During the period from December 1, 2016 (Date of Incorporation) to August 31, 2016, the Corporation issued common shares as follows:

- On December 1, 2016 (Date of Incorporation), the Corporation issued 1 incorporation share for gross proceeds of \$1.
- On March 17, 2017, the Corporation issued 16,500,000 seed shares at a price of \$0.0001 per share for gross proceeds of \$1,649.
- On April 7 and 20, 2017, the Corporation issued a total of 16,216,666 units at a price of \$0.05 per unit for gross proceeds of \$810,833. Each unit comprised of one share and one half of a warrant. Each whole warrant is exercisable at \$0.05 per share for a period of 12 months from the date of issue.
- On June 12, 2017, the Corporation issued 500,000 common shares through the exercise of 500,000 share purchase warrants for aggregate proceeds of \$25,000.
- Between June 28, 2017 and July 29, 2017, the Corporation issued a total of 8,089,500 units at a price of \$0.40 per unit for gross proceeds of \$3,235,800. Each unit comprised of one common share and one half share purchase warrant. Each whole warrant is exercisable at \$0.60 per share for a period of 18 months from the date of issue. Share issuance costs consist of finders' fees of \$187,740 paid in cash, issuance of 893,301

CHAKANA COPPER CORP.

FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
TO AUGUST 31, 2017

finders' warrants, exercisable at \$0.40 per share for a period of 24 months from the date of issue, and legal fees of \$60,017.

- Subsequent to August 31, 2017, the Corporation issued 8,602,500 common shares for gross proceeds of \$4,301,250 and 11,397,500 subscription receipts for gross proceeds of \$5,698,750. The subscriptions receipts will be held in escrow until the closing of the Proposed Transaction; whereby, all subscription receipts will be exchanged for post-consolidated shares of Remo on the closing date of the Proposed Transaction. In connection with the share offering, the Corporation incurred share issuance costs of \$323,488 commission paid in cash, issued 170,715 finders' shares, and 817,690 finders warrants.

The following warrants were outstanding as of the date of this MD&A:

Grant Date	Expiry Date	Number of warrants issued	Weighted Average Exercise Price
April 7, 2017	April 7, 2018	6,708,333	\$0.05
April 20, 2017	April 20, 2018	900,000	\$0.05
June 29, 2017	December 29, 2018	2,973,500	\$0.60
June 29, 2017	June 29, 2019	230,551	\$0.40
July 17, 2017	January 17, 2019	475,000	\$0.60
July 17, 2017	July 17, 2019	66,500	\$0.40
July 28, 2017	January 28, 20a9	596,250	\$0.60
July 28, 2017	July 28, 2019	172,300	\$0.40
November 13, 2017	November 13, 2019	277,865	\$0.50
		12,400,299	\$0.25

On September 14, 2017, the Corporation issued 3,635,000 stock options at a price of \$0.40 per share, exercisable for a 5-year period from the date of grant, and vest immediately.

CAPITAL RESOURCES

The Corporation defines capital as consisting of shareholder's equity and cash. The Corporation 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 Corporation does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Corporations management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Corporation, is reasonable.

As at August 31, 2017, the Corporation is not subject to any externally imposed capital requirements or debt covenants. There was no change to the Corporation's approach to capital management during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017.

LIQUIDITY

The Corporation's objective in managing liquidity risk is to maintain sufficient liquidity in order to meet operational and investing requirements at any point in time. The Corporation has historically financed its operations primarily through the sale of share capital by way of private placements.

At August 31, 2017, the Corporation had cash of \$2,889,492 and working capital of \$2,526,807.

To maintain liquidity, the Corporation issued common shares for cash proceeds during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017.

- On December 1, 2016 (Date of Incorporation), the Corporation issued 1 incorporation share for gross proceeds of \$1.

CHAKANA COPPER CORP.
FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
TO AUGUST 31, 2017

- On March 17, 2017, the Corporation issued 16,500,000 seed shares at a price of \$0.0001 per share for gross proceeds of \$1,649.
- On April 7 and 20, 2017, the Corporation issued a total of 16,216,666 units at a price of \$0.05 per unit for gross proceeds of \$810,833. Each unit comprised of one share and one half of a warrant. Each whole warrant is exercisable at \$0.05 per share for a period of 12 months from the date of issue.
- On June 12, 2017, the Corporation issued 500,000 common shares through the exercise of 500,000 share purchase warrants for aggregate proceeds of \$25,000.
- Between June 28, 2017 and July 29, 2017, the Corporation issued a total of 8,089,500 units at a price of \$0.40 per unit for gross proceeds of \$3,235,800. Each unit comprised of one common share and one half share purchase warrant. Each whole warrant is exercisable at \$0.60 per share for a period of 18 months from the date of issue. Share issuance costs consist of finders' fees of \$187,740 paid in cash, issuance of 893,301 finders' warrants, exercisable at \$0.40 per share for a period of 24 months from the date of issue, and legal fees of \$60,017.

Cash used in operating activities was \$841,044 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017. The change in working capital is attributed primarily to the increase in exploration and evaluation activities and timing of payment of trade payables and prepaid deposits.

Cash used in investing activities was \$89,620 during the period from December 1, 2016 (Date of Incorporation) to August 31, 2017 was primarily related to purchases of property and equipment.

The development of the Corporation in the future will depend on the Corporation's ability to obtain additional financings. In the past, the Corporation has relied on the sale of equity securities to meet its cash requirements. Future developments, in excess of funds on hand, will depend on the Corporation's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. There can be no assurances that the Corporation will be successful in obtaining any such financing or in joint venturing its property; failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Corporation's properties.

OUTLOOK

The Corporation plans to conduct further exploration on the Soledad Project in Peru. Further exploration and corporate costs are expected to be funded through future equity financing.

RELATED PARTY TRANSACTIONS

The Corporation's related parties include key management personnel and companies related by way of directors or shareholders in common.

Key Management Personnel Compensation

During the period from December 1, 2016 (Date of Incorporation) to August 31, 2017, the Corporation paid and/or accrued the following fees to key management personnel:

	August 31, 2017
Management	\$ 58,457
Directors	48,999
	\$ 107,456

Key management includes the Corporation's Board of Directors and members of senior management.

Trade Related Party Transactions

As at August 31, 2017 the Corporation has the following amounts due to related parties:

	August 31, 2017
Management	\$ 39,557
Directors	10,000
	\$ 49,557

OFF BALANCE SHEET ARRANGEMENTS

The Corporation currently has no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels.

The hierarchy is as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from inputs that are unobservable inputs for the asset or liability.

The fair value of cash under the fair value hierarch is measured using Level 1 inputs. The Corporation considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial Risk Factors

The Corporation's risk exposure and the impact on the Corporation's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Corporation if the counterparty to a financial instrument fails to meet its contractual obligations. The Corporation's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Corporation limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations with cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Corporation is exposed to liquidity risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation has no interest-bearing debt. The Corporation's sensitivity to interest rates is minimal.

Foreign Currency Risk

Foreign Currency Risk is the risk on fluctuation of currency related to monetary items with a settlement currency other than Canadian dollars. The functional currency of Chakana is the Canadian Dollar and the functional currency of the subsidiary is the US Dollar. The Corporation is exposed to foreign currency risk on fluctuations related to cash, receivables, prepayments, and accrued liabilities that are denominated in U.S Dollars, and Canadian Dollars. The Corporation has not used derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

BUSINESS RISKS AND UNCERTAINTIES

Additional information on risks and uncertainties relating to Chakana's business is provided in Remo's Filing Statement dated November 4, 2017 to which this MD&A is attached, under the heading "Risk Factors".

CONTRACTUAL OBLIGATIONS

The Corporation leases various premises under operating leases which expire from May 2, 2018 to July 31, 2018. The Corporation is obligated to make \$78,519 in minimum lease payments under the premise leases in the fiscal year ending August 31, 2018.

Additional information on Chakana's material contracts is provided in Remo's Filing Statement dated November 4, 2017 to which this MD&A is attached, under the heading "Information Concerning Chakana – Material Contracts".

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ significantly from these estimates.

Areas requiring a significant degree of judgment relate to the recoverability and measurement of deferred tax assets and liabilities, the ability to continue as a going concern and the capitalization of development costs. Actual results may differ from those estimates and judgments. Areas requiring a significant degree of estimation include allowances for doubtful accounts.

Judgments that have the most significant effect on the amounts recognized in the Corporation's consolidated financial statements are as follows

- *Exploration and Evaluation Assets*

The net carrying value of each mineral property is reviewed regularly for conditions that suggest potential indications impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future.

- *Going Concern*

The assessment of the Corporation's ability to continue as a going concern involves critical judgement based on historical experience and expectations of the Corporation's ability to generate adequate financing. Significant judgements are used in the Corporation's assessment of its ability to continue as a going concern.

- *Income taxes*

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases ("temporary differences"), and losses carried forward.

The determination of the ability of the Corporation to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgement and make certain assumptions about the future performance of the Corporation. Management is required to assess whether it is probable that the Corporation will benefit from these prior losses and other deferred tax assets. Change in economic conditions, metal prices and other factors could result in revision to the estimates of the benefits to be realized or the timing of utilizing the losses.

- *Functional Currency*

The functional currency for each of the Corporation's subsidiary is the U.S. dollar - the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Corporation reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

SIGNIFICANT ACCOUNTING POLICIES

The Corporation's significant accounting policies are summarized in Note 3 to the consolidated financials for the period from December 1, 2016 (Date of Incorporation) to August 31, 2017.

FUTURE CHANGES IN ACCOUNTING POLICIES

The IASB has issued or amended a number of new standards that were not be effective at August 31, 2017. These standards have not been early adopted in these consolidated financial statements.

IFRS 7, Financial Instruments Disclosures (effective January 1, 2018) requires new disclosures resulting from the amendments to IFRS 9.

IFRS 9, Financial Instruments (effective January 1, 2018) introduces new requirements for the classification and measurement of financial assets and liabilities.

CHAKANA COPPER CORP.

FOR THE PERIOD FOR THE PERIOD FROM DECEMBER 1, 2016 (DATE OF INCORPORATION)
TO AUGUST 31, 2017

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRS Interpretations Committee ("IFRIC") 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Asset from Customers, and SIC 31 Revenue Barter Transactions involving Advertising Services. IFRS 15 establishes a single five-step framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Corporation is currently evaluating the impact the standard is expected to have on its consolidated financial statements.

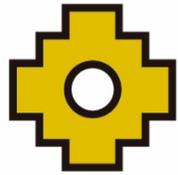
IFRS 16, Leases was issued in January 2016 (effective January 1, 2019) and provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Corporation is currently evaluating the impact the standard is expected to have on its consolidated financial statements.

Management does not expect any other IFRS or IFRIC pronouncements that are not yet effective to have a material impact on the Corporation.

SCHEDULE "E"

Pro forma statement of financial position of the Resulting Issuer as at August 31, 2017

See attached document



CHAKANA
C O P P E R

CHAKANA COPPER CORP.

**PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2017
(UNAUDITED – PREPARED BY MANAGEMENT)**

(Expressed in Canadian Dollars)

CHAKANA COPPER CORP.
PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2017 (UNAUDITED)

(expressed in Canadian Dollars)

	REMO RESOURCES CORP. JUNE 30, 2017	CHAKANA COPPER CORP. AUGUST 31, 2017	PRO FORMA ADJUSTMENTS	NOTE 3	PRO FORMA CONSOLIDATED
ASSETS					
Current Assets					
Cash	\$ 288,009	\$ 2,889,492	\$ 9,676,512	(a)	\$ 12,854,013
Taxes recoverable	3,069	-	-		3,069
Prepaid expenses	-	47,471,	-		47,471
	291,078	2,936,963	\$ 9,676,512		12,904,553
Non-Current Assets					
Exploration and evaluation asset	6,101	32,755	-		38,856
Property, plant and equipment	-	56,865	-		56,865
Total Assets	\$ 297,179	\$ 3,026,583	\$ 9,676,512		\$ 13,000,274
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Accounts payable and accrued liabilities	\$ 24,627	\$ 410,156	\$ 120,000	(d)	\$ 554,783
Total Liabilities	\$ 24,627	\$ 410,156	\$ 120,000		\$ 554,783
Shareholders' Equity					
Common shares	805,908	2,985,400	9,162,789	(a),(c)	12,954,097
Warrants	138,641	840,126	99,174	(a),(e)	1,077,941
Stock options	-	-	1,162,225	(b)	1,162,225
Accumulated and other comprehensive income	-	(5,370)	-	-	(5,370)
Deficit	(671,997)	(1,203,729)	(867,676)	(a)(c)(d)	(2,743,402)
	\$ 272,552	\$ 2,616,427	\$ 9,556,512		\$ 12,445,491
Total Liabilities and Shareholders' Equity	\$ 297,179	\$ 3,026,583	\$ 9,676,512		\$ 13,000,274

The accompanying notes are an integral part of the pro-forma consolidated statement of financial position

1. Proposed Transaction

Remo Resources Corp. ("Remo") and Chakana Copper Corp. (the "Corporation" or "Chakana") have entered into an amalgamation agreement dated October 4, 2017. (the "Transaction") pursuant to which Remo will acquire all of the issued and outstanding capital stock, being 50,036,382 common shares, of Chakana in consideration for securities of Remo on a one-for-one basis. Prior to closing, Remo will consolidate its common shares on the basis of 6.865385 old shares for one new share. Additionally, the 12,400,299 issued and outstanding warrants and 3,635,000 issued and outstanding stock options of Chakana will, in accordance with their terms, be reorganized as warrants and stock options of Remo adjusted on the same exchange ratio as the exchange of Chakana shares for Remo shares and at the economic equivalent pursuant to the terms of the outstanding warrants and stock options.

In connection with the Transaction, Chakana completed a private placement of 8,602,500 common shares at \$0.50 per share for gross proceeds of \$4,301,250 and 11,397,500 subscription receipts at \$0.50 per subscription receipt for gross proceeds of \$5,698,750 (the "Financing"). Each subscription receipt will be deemed to be exercised for one Chakana Share upon the closing of the Transaction.

On closing of the Transaction, Remo will change its name to Chakana Copper Corp. and will have 62,976,882 common shares outstanding, and the former shareholders of Chakana, including shareholders that acquire their shares in the Financing, will hold 97.6% of Chakana. Accordingly, Chakana will be considered to have acquired Remo with the transaction is being accounted for as a reverse takeover of Remo by Chakana shareholders (the "RTO").

Closing of the Transaction is subject to a number of conditions, including regulatory acceptance, shareholder approval, completion of the Remo share consolidation and appointment of new directors and officers of Remo. The Transaction cannot close until all conditions of closing are met or waived by the parties. There can be no assurance that the Transaction will be completed.

To facilitate Remo obtaining TSX Venture Exchange ("TSXV") approval to the Transaction, the Corporation must commission an NI 43-101 compliant technical report on the Corporation's material mineral property interests, and participate in the preparation of Chakana's Filing Statement (in the form prescribed by the TSXV).

2. Basis of Presentation

The accompanying unaudited pro-forma consolidated statement of financial position of Remo has been prepared by management of Chakana for inclusion in the Filing Statement of Remo dated \diamond , 2017, in connection with the acquisition of 100% of Chakana. The Transaction was accounted for as a reverse acquisition as the control of Remo will be acquired by the shareholders of Chakana. Although legally Remo will be regarded as the parent and continuing company, Chakana will be the accounting acquirer. Consequently, Chakana will be deemed to be a continuation of Remo, and control of the assets and operations of Remo will be deemed to have been acquired in consideration for the issuance of Remo shares to the former shareholders of Chakana. The pro-forma consolidated statement of financial position has been prepared assuming that the acquisition of Chakana had occurred on August 31, 2017. The Transaction represents the Qualifying Transaction of Remo pursuant to the policies of the TSX Venture Exchange.

The unaudited pro-forma consolidated statement of financial position of Remo has been compiled from and combines the unaudited statement of financial position of Remo as at June 30, 2017, with the audited statement of consolidated financial position of Chakana as at August 31, 2017, after giving effect to the Transaction. The unaudited pro forma consolidated statement of financial position of Remo should be read in conjunction with the condensed interim financial statements of Remo as at and for the six months ended June 30, 2017, and the audited consolidated financial statements of Chakana as at August 31, 2017 and for the period December 1, 2016 (Date of Incorporation) to August 31, 2017, as disclosed in the Filing Statement available at www.sedar.com.

It is management's opinion that the pro forma consolidated statement of financial position includes all adjustments necessary for the fair presentation of the transactions described herein and is in accordance with International Financial Reporting Standards. Actual amounts recorded upon consummation of the Transactions

CHAKANA COPPER CORP.
NOTES TO PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2017 (UNAUDITED)

(expressed in Canadian dollars)

will differ from those recorded in the unaudited pro forma consolidated statement of financial position and the differences may be material.

3. Pro-Forma Adjustments and Assumptions

The unaudited pro-forma consolidated statement of financial position incorporates the following assumptions:

- (a) On November 7 and 9, 2017, the Corporation issued 8,602,500 common shares for gross proceeds of \$4,301,250 and 11,397,500 subscription receipts for gross proceeds of \$5,698,750, respectively. The subscriptions receipts will be held in escrow until the closing of the Proposed Transaction; whereby, all subscription receipts will be exchanged for post-consolidated shares of Remo on the closing date of the Proposed Transaction. In connection with the share offering, the Corporation incurred share issuance costs of \$75,075 commission paid in cash, issued 127,715 finders' shares, and 27,865 finders warrants. Upon the closing of the Proposed Transaction, additional share issuance costs of \$248,413 cash commissions are expected to be paid, and 43,000 finders' shares and 539,825 finders' warrants are expected to be issued. For the purposes of the Pro-Forma Financial Statements, all subscription receipts are assumed to have been exchanged for post-consolidated shares and all related cash commissions, finders' shares, and finders' warrants are assumed to have been paid.
- (b) On September 14, 2017, Chakana issued 3,635,000 share purchase options exercisable at \$0.40 for a period of 5 years from the date of issue.
- (c) As consideration for 100% of the outstanding shares of Chakana excluding the shares of Chakana issued in the Financing, Remo will issue 50,036,382 post-consolidation common shares to Chakana shareholders valued at \$7,130,761. As a result of the RTO, the pro-forma consolidated statement of financial position has been adjusted for the elimination of Remo's share capital, reserves and accumulated deficit within shareholders' equity. A finder's fee of 200,000 common shares will be issued, valued at \$100,000.

As a result of this asset acquisition, a listing expense of \$377,448 has been recorded. This reflects the difference between the estimated fair value of Chakana shares to Remo shareholders less the fair value of net assets of Remo acquired.

The preliminary allocation of estimated consideration transferred is subject to change and is summarized as follows:

Purchase Price	
1,300,000 common shares of Remo	\$ 650,000
Total Purchase Price	\$ 650,000
Allocation of Purchase Price	
Cash	\$ 288,009
Taxes recoverable	3,069
Exploration and evaluation asset	6,101
Accounts and accrued liabilities	(24,627)
Charge related to public company listing	377,448
	\$ 650,000

The pro-forma adjustments and allocations of the estimated consideration transferred are based in part on estimates of the fair value of assets to be acquired and liabilities to be assumed. The final determination of the consideration transferred and the related allocation of the fair value of the Remo net assets to be acquired pursuant to the Transaction will ultimately be determined after the closing of the transaction. It is likely that the final determination of the consideration transferred and the related allocation of the fair value of the assets acquired and liabilities assumed will vary from the amounts present in the unaudited pro-forma consolidated statement of financial position and that those differences may be material.

CHAKANA COPPER CORP.
NOTES TO PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2017 (UNAUDITED)

(expressed in Canadian dollars)

(d) The total cash transaction costs which are expected to be incurred for the reverse asset acquisition amounts to \$120,000 which includes accounting, legal, and regulatory fees. These costs have been allocated to share issuance costs. A finder's fee of 200,000 common shares will be issued, valued at \$100,000. Finder's fee has been expensed as an adjustment for the purposes of the pro-forma consolidated statement of financial position.

(e) 3,605,000 share purchase warrants of Remo are expected to be cancelled upon RTO.

4. Pro-Forma Tax Rate

The pro-forma effective tax rate that will be applicable to the operations of Chakana is 26%.

Federal tax rate	15%
Provincial tax rate	11%
Pro-forma effective tax rates	26%

5. Pro-Forma Share Capital

As a result of the Transaction, the share capital as at August 31, 2017 in the pro-forma consolidated statement of financial is comprised of the following:

Authorized

Unlimited common shares, without par value

	Note	Number of Shares	Share Capital	Reserves	
				Warrants	Stock Options
Opening balance of Remo		8,925,000	\$ 805,908	\$ 138,641	\$ -
Consolidation of shares 6.865385:1	1	(7,625,000)	-	-	-
Common stock of Chakana	3(c)	41,306,167	2,985,400	-	-
Common stock from \$0.50 private placement		8,602,500	4,301,250	-	-
Share issuance costs for \$0.50 private placement common stock		127,715	(155,889)	80,814	-
Share purchase warrants of Chakana	3(c)	-	-	840,126	-
Share purchase options of Chakana	3(a)	-	-	-	1,162,225
Common shares issued per reverse takeover of Remo	3(c)	1,300,000	650,000	-	-
Elimination of pre-acquisition share capital of Remo	3(c)	(1,300,000)	(805,908)	-	-
Elimination of pre-acquisition reserve	3(e)	-	-	(138,641)	-
\$0.50 Private placement subscription receipts exchanged for common stock	3(a)	11,397,500	5,698,750	-	-
Share issuance costs for \$0.50 private placement subscription receipts	3(a)	43,000	(405,414)	157,001	-
RTO Costs	3(d)	200,000	(120,000)	-	-
Pro-Forma Share Capital		62,976,882	\$ 12,954,097	\$ 1,077,941	\$ 1,162,225