

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

A copy of this amended and restated preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada except Québec but has not yet become final for the purpose of the sale of securities. Information contained in this amended and restated preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in each of the provinces of Canada except Québec. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Avanti Helium Corp. at 208A – 980 West 1st Street, North Vancouver, BC V7P 3N4, telephone: (604) 689-7422, and are also available electronically at www.sedar.com.

This amended and restated preliminary short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws and may not be offered or sold within the “United States” or to, or for the account or benefit of, “U.S. persons” (as such terms are defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state laws. This amended and restated preliminary short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See “Plan of Distribution.”

AMENDED AND RESTATED PRELIMINARY SHORT FORM PROSPECTUS, AMENDING AND RESTATING THE PRELIMINARY PROSPECTUS DATED OCTOBER 6, 2022

NEW ISSUE

October 7, 2022

AVANTI HELIUM CORP.

Up to \$5,500,000

Up to 8,333,333 Units

This amended and restated preliminary short form prospectus (this “**Prospectus**”) qualifies the distribution (the “**Offering**”) by Avanti Helium Corp. (the “**Company**”), of up to 8,333,333 units of the Company (the “**Offered Units**”) at a price of \$0.66 per Offered Unit (the “**Offering Price**”). Each Offered Unit consists of one common share (a “**Unit Share**”) in the capital of the Company and one transferable share purchase warrant (a “**Warrant**”) of the Company. Each Warrant will entitle the holder thereof to purchase one additional common share of the Company (a “**Warrant Share**”) at a price of \$0.80 for a 24-month period following the Closing Date (as defined below). This Prospectus qualifies the distribution of the Offered Units, the Unit Shares, the Warrants and the Warrant Shares. See “*Plan of Distribution*”.

The common shares of the Company (the “**Common Shares**”) are listed for trading on the TSX Venture Exchange (the “**TSX-V**”) under the trading symbol “AVN” and on the OTC Markets Platform under the symbol “ARGYF”. On October 6, 2022, being the last trading day prior to the date hereof, the closing price of the Common Shares on the TSX-V was \$0.71 and the closing price on the OTC Markets Platform was US\$0.51. See “*Plan of Distribution*”.

The Offered Units are being offered by Raymond James Ltd. (the “**Lead Agent**”), Beacon Securities Limited, Cormark Securities Inc. and Haywood Securities Inc. (each an “**Agent**”, and collectively with the Lead Agent, the “**Agents**”) pursuant to the terms and conditions of the agency agreement to be entered into (the “**Agency Agreement**”) between the Company and the Agents. The Offering Price has been determined by negotiation between the Company and the Agents. See “*Plan of Distribution*”.

The Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) to be entered into on the Closing Date between the Company and Computershare Trust Company of Canada, as warrant agent (the “**Warrant Agent**”). See “*Description of Securities Being Issued – Warrants*”.

	Price to Public	Agents’ Fee ⁽¹⁾	Net Proceeds to the Company ⁽²⁾
Per Offered Unit	\$0.66	\$0.0462	\$0.6138
Offering	Up to \$5,500,000	Up to \$385,000	Up to \$5,115,000

Notes:

- (1) The Agents shall receive a cash commission equal to 7% of the aggregate gross proceeds of the Offering (the “**Agents’ Fee**”). The Agents will also be issued compensation option units (each a “**Compensation Option Unit**”) to purchase up to that number of units of the Company (the “**Agents Units**”) equal to 7% of the aggregate number of Offered Units sold under this Offering. Each Compensation Option Unit will be entitle the holder thereof to purchase one Agents Unit at a price of \$0.66 for a 24-month period immediately following the Closing Date. Each Agents Unit will be comprised of one Common Share (an “**Agents Unit Share**”) and one Warrant (an “**Agents Unit Warrant**”). Each Agents Unit Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Common Share (an “**Agents Unit Warrant Share**”) at an exercise price of \$0.80 on or before 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date, after which time the Agents Unit Warrants will expire and be void and of no value. The Compensation Option Units, Agents Units, Agents Unit Shares, Agents Unit Warrants and Agents Unit Warrant Shares are qualified under this Prospectus. In addition, the Company has agreed to reimburse the Agents for all reasonable expenses incurred in connection with this Offering, which expenses are to be paid on the Closing Date. See “*Plan of Distribution*”.
- (2) Before deducting the balance of the costs of this issue estimated at \$230,000, which includes legal and audit fees and other expenses of the Company, the Agents’ expenses including their legal fees, the filing fees payable to the TSX-V and the securities commissions. See “*Use of Proceeds*”.
- (3) The Agents have been granted an over-allotment option, exercisable, in whole or in part, at the sole discretion of the Agents, at any time and from time to time not later than 30 days following the Closing Date to purchase from the Company: (a) additional Offered Units (the “**Additional Units**”) at the Offering Price; (b) additional Unit Shares (the “**Additional Unit Shares**”) at a price of \$0.54 per Additional Unit Share; and/or (c) additional Warrants (“**Additional Warrants**”) at a price of \$0.12 per Additional Warrant to cover the Agents’ over-allocation position, if any, and for market stabilization purposes (the “**Over-Allotment Option**”). If the Over-Allotment Option is exercised in full for Additional Units, the total “Price to Public”, “Agents’ Fee” and “Net Proceeds to the Company” will be \$6,325,000, \$442,750 and \$5,882,250, respectively. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Units, the Additional Unit Shares and/or Additional Warrants issuable upon exercise of the Over-Allotment Option. A purchaser who acquires securities forming part of the Agents’ over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.

The Agents’ position is as follows:

Agents’ Position	Number of Securities Available	Exercise Period	Exercise Price or Acquisition Price
Compensation Option Units ⁽¹⁾	Up to 583,333 Compensation Option Units	24 months from the Closing Date	\$0.66
Over-Allotment Option ⁽²⁾	(i) up to 1,249,999 Additional Units or (ii) up to 1,249,999 Additional Unit Shares and up to 1,249,999 Additional Warrants	Up to 30 days from the Closing Date	\$0.66 per Additional Unit; \$0.54 per Additional Unit Share; \$0.12 per Additional Warrant

Notes:

- (1) The Company will issue up to an additional 87,499 Compensation Option Units upon exercise of the entire Over-Allotment Option. The Compensation Option Units, Agents Units, Agents Unit Shares, Agents Unit Warrants and Agents Units Warrant Shares are qualified under this Prospectus. See “*Plan of Distribution*”.
- (2) The Agents may exercise the Over-Allotment Option by purchasing (i) up to 1,249,999 Additional Units or (ii) up to 1,249,999 Additional Unit Shares and up to 1,249,999 Additional Warrants.

The Offering is not underwritten or guaranteed by any person. The Offering is being conducted on a “best efforts” agency basis by the Agents who will conditionally offer the Offered Units in the provinces of Canada, except Québec, subject to prior sale, if, as and when issued by the Company and accepted by the Agents in accordance with the conditions to be

contained in the Agency Agreement referred to under “*Plan of Distribution*” and subject to approval of certain legal matters relating to the Offering on behalf of the Company by O’Neill Law LLP and on behalf of the Agents by Torys LLP.

An investment in the securities offered hereunder is speculative and involves a high degree of risk. The risk factors identified under the heading “*Risk Factors*” in this Prospectus and in the AIF (as defined below) should be carefully reviewed and evaluated by prospective purchasers before purchasing the Offered Units. An investment in the Offered Units is suitable only for those investors who are willing to risk a loss of their entire investment.

Neither the Company nor the Agents have authorized anyone to provide any information other than that contained or incorporated by reference in this Prospectus. Neither the Company nor the Agents takes any responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. It is important for you to read and consider all information contained in this Prospectus, including the documents incorporated by reference herein and therein in their entirety before making your investment decision.

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

Any investment in the Offered Units, Additional Units, Additional Unit Shares and Additional Warrants involves risks that should be carefully considered by prospective investors before purchasing Offered Units, Additional Units, Additional Unit Shares or Additional Warrants. The risks outlined in this Prospectus and in the documents incorporated by reference herein and therein should be carefully reviewed and considered by prospective investors in connection with any investment in Offered Units, Additional Units, Additional Unit Shares or Additional Warrants. See “*Cautionary Statement Regarding Forward-Looking Statements*” and “*Risk Factors*”, as well as “*Risk Factors*” in the AIF.

Prospective investors should be aware that the acquisition of the Offered Units or the Additional Units and the underlying securities described herein may have tax consequences in Canada. Such consequences for investors who are resident in, or citizens of, or citizens of, Canada may not be described fully herein. See “*Eligibility for Investment*” and “*Certain Canadian Federal Income Tax Considerations*”.

Closing of the Offering is expected to take place on or about October 24, 2022 (the “**Closing Date**”), or such earlier or later date as the Company and the Agents may agree. It is expected that the Company will arrange for the instant deposit of the Offered Units offered hereby in electronic book entry form through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee on the Closing Date. Beneficial holders of the Offered Units, including a purchaser of Offered Units in the United States that is a “qualified institutional buyer” as defined in Rule 144A under the U.S. Securities Act (a “**Qualified Institutional Buyer**”), will receive only a customer confirmation from the Agents, or another registered dealer who is a CDS participant, and from or through whom a beneficial interest in the Offered Units is acquired. If any Offered Units are not able to be issued in the book-entry system through CDS in advance of the Closing Date for any reason, then those investors or their designated holders will receive definitive certificates or direct registration statement advices representing their interests in such Offered Units. See “*Plan of Distribution*”.

During the distribution of the Offered Units, Additional Units, Additional Unit Shares and Additional Warrants, the Agents may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares in accordance with applicable market stabilization rules. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

The Agents, as principal, conditionally offer these securities, subject to prior sale, if, as and when issued by the Company and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*”.

The Agents propose to offer the Offered Units and the Additional Units initially at the Offering Price. After the Agents have made a reasonable effort to sell all of the Offered Units and the Additional Units at such price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Agents will be decreased by the amount that the aggregate price paid by purchasers for the Offered Units and the Additional Units is less than the net proceeds paid by the Agents to the Company. See “*Plan of Distribution*”.

The Company has applied to the TSX-V to conditionally approve the listing of the Unit Shares, Warrant Shares, the Agents Unit Shares and the Agents Unit Warrant Shares issued or issuable pursuant to the Offering and the exercise of the Over-Allotment Option. There is currently no market through which the Warrants may be sold. The Company has also applied to list the Warrants (including any Additional Warrants) on the TSX-V. The listings are subject to the Company fulfilling all of the requirements of the TSX-V included in the conditional approval. See “*Plan of Distribution*”.

The Company’s head office is located at 208A – 980 West 1st Street, North Vancouver, BC V7P 3N4 and its registered office is located at Suite 704, 595 Howe Street, Vancouver, BC V6C 2T5.

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ABOUT THIS PROSPECTUS

Prospective investors should rely only on the information contained or incorporated by reference in this Prospectus. The Company has not authorized anyone to provide anyone with different or additional information. If anyone provides any different or additional information, prospective investors should not rely on it. The Company is not making an offer to sell or seeking an offer to buy the securities offered pursuant to this Prospectus in any jurisdiction where the offer or sale is not permitted. Prospective investors should assume that the information contained in this Prospectus is accurate only as of the date on the front of this Prospectus and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this Prospectus or of any sale of the Company's securities pursuant thereto. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

This Prospectus include references to trade names and trade-marks of other companies, which trade names and trade-marks are the property of their respective owners.

Statistical information and other data relating to the industry in which the Company operates included in this Prospectus are derived from industry reports published by industry analysts, industry associations and/or independent consulting and data compilation organizations. Market data and industry forecasts used throughout this Prospectus were obtained from various publicly available sources. Although we believe that these independent sources are generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

In this Prospectus, unless otherwise indicated, all dollar amounts and references to "\$" are to Canadian dollars and references to "US\$" are to U.S. dollars.

In this Prospectus, unless the context otherwise requires, references to "we", "us", "our" or similar terms, as well as references to the "Company", refer to Avanti Helium Corp. together with its subsidiaries.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated by reference contain forward-looking statements and information about the Company which reflect management's expectations regarding the Company's future growth, results of operations, operational and financial performance and business prospects and opportunities. In addition, the Company may make or approve certain statements or information in future filings with Canadian securities regulatory authorities, in news releases, or in oral or written presentations by representatives of the Company that are not statements of historical fact and may also constitute forward-looking statements or forward-looking information. All statements and information, other than statements or information of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements and information, including, but not limited to statements and information preceded by, followed by, or that include words such as "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intends", "plan", "forecast", "budget", "schedule", "project", "estimate", "outlook", or the negative or grammatical variations of those words or other similar or comparable words. In addition to the forward-looking statements contained in the documents incorporated by reference herein, this Prospectus contains, without limitation, forward-looking statements pertaining to the following: the anticipated Closing Date; the estimated expenses of the Offering; the Company's use of proceeds from the Offering; the Company fulfilling all the requirements of the TSX-V included in the conditional approval; the anticipated cost of drilling up a well on the Greater Knappen Property; the anticipated cost of completion of the well in the Greater Knappen Property; the Company's ability to obtain adequate funding to develop and produce its resources; and the Company's ability to obtain permits to drill on the Greater Knappen Property in a timely manner.

Forward-looking statements and information involve significant risks, assumptions, uncertainties and other factors that may cause actual future performance, achievement or other realities to differ materially from those expressed or implied in any forward-looking statements or information and, accordingly, should not be read as guarantees of future performance, achievement or realities. Although the forward-looking statements and information contained in this Prospectus and the documents incorporated by reference reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, the Company cannot be certain that actual results will be consistent with these forward-looking statements and information. A number of risks and factors could cause actual results, performance, or achievements to differ materially from the results expressed or implied in the forward-looking statements and information. Such risks and factors include, but are not limited to, the following:

- negative operating cash flow and going concern;
- the Company is an exploration and development stage company;
- the Company has no properties in production;
- the Company has no reserves estimates on one or more of its properties;
- dependence on a limited number of projects;
- the Company's projects may be subject to uncertain title;
- specialized skill and knowledge;
- failure to realize anticipated benefits of acquisitions and dispositions;
- compliance with government rules and regulations;
- exploration, development and production risks;
- the Company may face significant competition;
- the Company will be required to comply with environmental regulation;
- price volatility, markets and marketing;
- substantial capital requirements;
- additional funding requirements;
- availability of drilling and other equipment and access;
- the ability to obtain insurance in connection with its operations;
- the Company's ability to manage growth;
- expiration of permits, licences and leases;
- the Company is reliant on key personnel;
- transportation costs;
- the Company may issue additional securities resulting in dilution to its existing shareholders;
- variations in foreign exchange rates and interest rates;
- the Company may incur losses for the foreseeable future;
- general economic conditions may adversely affect the Company's ability to pursue its business strategy and plans for its properties;
- the Company has no history of helium production and limited history of helium drilling operations;
- the Company does not intend to pay any cash dividends in the foreseeable future;
- uninsurable risks;
- the Company may be subject to litigation or regulatory action;
- COVID-19 and global health crisis;
- the Company's broad discretion over the use of proceeds of the Offering; and
- there is no assurance of a sufficient liquid trading market for the Common Shares in the future.

Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements or information, there may be other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. Further, any forward-looking statements and information contained herein are made as of the date of this Prospectus and, other than as required by applicable securities laws, the Company assumes no obligation to update or revise them to reflect new events or circumstances. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual realities to differ materially from those contained in any forward-looking statement or information. Accordingly, readers should not place undue reliance on forward looking statements and information contained in this Prospectus and the documents incorporated by reference herein. All forward-looking statements and information disclosed in this Prospectus are qualified by this cautionary statement.

The Company is in the business of the exploration and development of prospective helium deposits, primarily in the State of Montana, USA and the Provinces of Alberta and Saskatchewan, Canada. Helium is not a "product type" as such term is defined by National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101") and consequently the Company is not engaged in "oil and gas activities" as contemplated by NI 51-101. As such, the Company has not, and does not, make certain disclosures in accordance with NI 51-101 that would apply to a reporting issuer engaged in "oil and gas activities". Any references to reserves, volumes or other similar disclosures in the Company's public record, including the documents incorporated by reference herein, should not be interpreted as being

prepared in accordance with NI 51-101 guidelines or and the related definitions set forth in Staff Notice 51-324 – *Revised Glossary to NI 51-101 Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar authorities in all of the provinces of Canada, except Québec.

Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Avanti Helium Corp. at 208A – 980 West 1st Street, North Vancouver, BC V7P 3N4, telephone: (604) 689-7422 or by accessing the disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (“**SEDAR**”), at www.sedar.com.

The following documents, filed with the securities commissions or similar regulatory authorities in all provinces of Canada except Québec are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- the audited annual financial statements of the Company for the financial years ended December 31, 2021 and 2020, together with the notes thereto and the auditor’s reports thereon;
- the management discussion and analysis of the Company for the financial years ended December 31, 2021 and 2020;
- the material change report of the Company dated January 17, 2022 disclosing the completion of drilling at the first well on the Greater Knappen Property (as defined herein), the Rankin 01-17 well;
- the material change report of the Company dated January 24, 2022 disclosing the completion of the initial open hole logging and drill stem testing at the Rankin 01-17 well;
- the material change report of the Company dated January 27, 2022 disclosing the spudding of the second well on the Greater Knappen Property, the WNG 11-22 well;
- the material change report of the Company dated February 24, 2022 disclosing the announcement of the March 2022 Offering (as defined below) and the subsequent increase to the March 2022 Offering;
- the material change report of the Company dated March 10, 2022 regarding certain information with respect to the Greater Knappen Property;
- the material change report of the Company dated March 15, 2022 disclosing the completion of the bought deal public offering (the “**March 2022 Offering**”) of 8,414,550 units of the Company (the “**March 2022 Units**”) at a price of \$1.23 per March 2022 Unit for aggregate gross proceeds of \$10,349,896.50;
- the material change report of the Company dated April 4, 2022 disclosing the (i) grant of 935,000 stock options, each option exercisable at \$1.36 per Common Share for a period of five years, subject to vesting, to certain consultants, directors and officers of the Company and (ii) an update on the development and drilling plan of the Greater Knappen property;
- the material change report of the Company dated April 13, 2022 disclosing the completions on the Flathead Cambrian zone on the WNG 11-22 well on the Greater Knappen Property;
- the annual information form of the Company dated May 2, 2022 (the “**AIF**”);
- the material change report of the Company dated May 3, 2022 disclosing the grant of 3 helium exploration permits, comprising approximately 63,000 acres, from the Government of Saskatchewan to the Company;
- the material change report of the Company dated May 25, 2022 disclosing (i) the selection of Journey Engineering to provide engineering services for a pre-FEED (front end engineering and design) study for a helium processing facility associated with the WNG 11-22 discovery well on the Greater Knappen Property and (ii) the approval of the re-pricing of 450,000 outstanding stock options with an exercise price of \$2.70 per Common Share to \$1.30 per Common Share, subject to the approval of the TSX-V;
- the material change report of the Company dated June 24, 2022 disclosing the total unrisksed contingent resource estimate for the WNG 11-22 well and underlying structure;
- the material change report of the Company dated July 18, 2022 disclosing the receipt by the Company of a drilling permit for the WNG 10-21 appraisal well to be drilled on the Greater Knappen Property and (ii) the appointment of Cam Buss as Vice President of Operations and the resignation of Ali Esmail as Vice President, Engineering of the Company;
- the interim financial statements of the Company for the three and six months ended June 30, 2022 and 2021;
- the management discussion and analysis of the Company for the six months ended June 30, 2022 and 2021;
- the management information circular of the Company for the annual general meeting of shareholders to be held

- on August 18, 2022 dated July 11, 2022;
- the material change report dated September 22, 2022 disclosing the appointment of Brad Paterson as the Chief Financial Officer of the Company; and
- the material change report dated September 28, 2022 announcing the Company’s non-brokered private placement of units of the Company at a price of \$0.90 per unit for gross proceeds of up to \$2,000,000 (the “**September 2022 Financing**”);
- the material change report dated October 4, 2022 disclosing the cancellation of the September 2022 Financing;
- the “template version” (as defined in applicable Canadian securities laws) of the term sheet for the Offering dated October 6, 2022 (the “**Term Sheet**”); and
- the investor presentation of the Company dated October 6, 2022 (the “**Presentation**” and together with the Term Sheet, the “**Marketing Materials**”).

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus Distributions* filed by the Company with a securities commission or similar authority in any province of Canada subsequent to the date of this Prospectus and prior to the expiry of this Prospectus, or the completion of the issuance of securities pursuant hereto, will be deemed to be incorporated by reference into this Prospectus.

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

Upon the Company’s filing of a new annual information form and the related annual financial statements and management’s discussion and analysis with applicable securities regulatory authorities during the duration of this Prospectus, the AIF, the previous annual financial statements and management’s discussion and analysis and all interim financial statements, material change reports and information circulars filed prior to the commencement of the Company’s financial year in which the new annual information form is filed will be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of the Company’s securities under this Prospectus. Upon interim consolidated financial statements and the accompanying management’s discussion and analysis and material change report being filed by us with the applicable securities regulatory authorities during the duration of this Prospectus, all interim consolidated financial statements and the accompanying management’s discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of securities under this Prospectus.

References to the Company’s website in any documents that are incorporated by reference into this Prospectus do not incorporate by reference the information on such website into this Prospectus, and we disclaim any such incorporation by reference.

MARKETING MATERIALS

The Marketing Materials and any “template version” of any “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*) that are utilized by the Agents in connection with the Offering will not form part of this Prospectus to the extent that the contents of the Marketing Materials are modified or superseded by a statement contained in this Prospectus.

Any “template version” of any “marketing materials” filed after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated by reference in this Prospectus.

ADDITIONAL INFORMATION REGARDING CONTINGENT RESOURCE ESTIMATE

Additional Information of the Contingent Resource Estimate

- The Company's net interests in mineral lands that contain a contingent resource estimate vary from ~85% to ~75%.
- The Company has engaged a facilities engineering firm to assess recovery technologies and associated costs and, at this time, there are no estimates to offer. The Company is working toward an on-stream production target of mid-2023 but this cannot be offered as a firm estimate at this time.
- The resource is contingent on funding for development and production.
- There is uncertainty that the project will be commercially viable to produce any portion of the contingent resources.
- The estimates presented in this Prospectus are based on data and test results from one well. There is potential for future drilling activity to materially impact the estimated volumes based on additional geological data and production testing. Estimated pool volumes may increase or decrease in the future.
- The contingent resources estimated for WNG 11-22 and offsetting locations relies on comparisons to analogous wells, and no production data is available from the well included in this estimate.
- The reader is cautioned that disclosure of helium in place volumes is not included in NI 51-101 guidelines.

Information Regarding the Contingent Resources

The effective date of the contingent resource disclosed herein is July 1, 2022 and was prepared in accordance with the COGE Handbook.

This Prospectus discloses estimates of the Company's contingent resources.

The Company defines contingent resources are those quantities of gas estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development but which are not currently considered to be commercially recoverable due to one or more contingencies. There is uncertainty that it will be commercially viable to produce any portion of the resources.

The resource provides an estimate of raw gas. In April 2022, preliminary lab results showed the raw gas composition of the Cambrian zone at the WNG 11-22 well was 97.5% Nitrogen, 1.1% Helium, 1.1% Methane, 0.3% Co2 and trace amounts of other hydrocarbons.

The resource estimates presented in this Prospectus are subject to certain risks and uncertainties, including those associated with the drilling and completion of future wells, limited available geological, prices of the various raw gases and geophysical data and uncertainties regarding the actual production characteristics of the reservoirs, all of which have been assumed for the preparation of the resource estimates.

The resources are classified as development.

Contingent resources do not constitute, and should not be confused with, reserves. Contingent resources are defined as those quantities estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. There is a range of uncertainty of estimated recoverable volumes. A low estimate ("1C") is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate, which under probabilistic methodology reflects at least a 90% confidence level. A best estimate ("2C") is considered to be a realistic estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate, which under probabilistic methodology reflects at least a 50% confidence level. A high estimate ("3C") is considered to be an optimistic estimate. It is unlikely that the actual remaining quantities recovered will exceed the high estimate, which under probabilistic methodology reflects at least a 10% confidence level. There is uncertainty that it will be commercially viable to produce any portion of the resources.

All of the resources classified as contingent are considered to be discovered, and as such have been assigned a 100% chance of discovery, but have however been risked for the chance of development. The chance of development is defined

as the likelihood of a project being commercially viable and development proceeding in a timely fashion. Determining the chance of development requires taking into consideration each contingency and quantifying the risks into an overall development risk factor at a project level.

Contingent resources can be subcategorized by project maturity status:

- (i) Development Pending is where resolution of the final conditions for development is being actively pursued (high chance of development). Resources classified in this sub-category must be economic and have been assigned a chance of development ranging between 80% and 99%.
- (ii) Development On Hold is where there is a reasonable chance of development, but there are major non-technical contingencies to be resolved that are usually beyond the control of the operator. Resources classified in this sub-category must be economic and have been assigned a chance of development ranging between 50% and 79%.
- (iii) Development Unclassified is where the evaluation is incomplete and there is ongoing activity to resolve any risks or uncertainties. Resources classified in this sub-category can either be economic or sub-economic and have been assigned a chance of development ranging between 20% and 79%.
- (iv) Development Not Viable is where no further data acquisition or evaluation is currently planned and hence there is a low chance of development. Resources classified in this sub-category can either be economic or sub-economic and have been assigned a chance of development ranging between 0% and 49%. Based on these definitions, all of the contingent resources disclosed in this news release are classified as Development Pending and are considered economic with either a high or reasonable likelihood of being commercially viable.

In general, contingencies which prevent contingent resources from being classified as reserves are grouped under three categories: economic contingencies, non-technical contingencies and technical contingencies. Economic contingencies are applicable only in the case of sub-economic contingent resources. As all of the contingent resources disclosed in this Prospectus are classified as economic contingent resources, there are no economic contingencies in respect of such resources. Non-technical contingencies include factors such as required corporate or third party (such as joint venture partners) approvals, legal, environmental, political, social license and regulatory matters or a lack of infrastructure or markets. Technical contingencies are applicable where there is a technology currently under development that would be required to classify the contingent resources in question as reserves. None of Avanti's estimated contingent resources are subject to technical contingencies.

Significant positive and negative factors relevant to the estimates

Significant positive factors relevant to the estimates include:

- commercial success of drilling;
- corporate commitment to develop plays over a reasonable time frame;
- significant well control and offsetting economic well production;
- proximity to infrastructure for production growth and central market hubs; and
- low political risk as all reserves and resources are located in North America.

Significant negative factors relevant to the estimates include:

- potential for low commodity prices impacting the economic viability and development of certain areas;
- access to and amount of capital required to develop resources at an acceptable cost;
- significant production growth and access to infrastructure capacity; and
- development uncertainty relating to surface access matters.

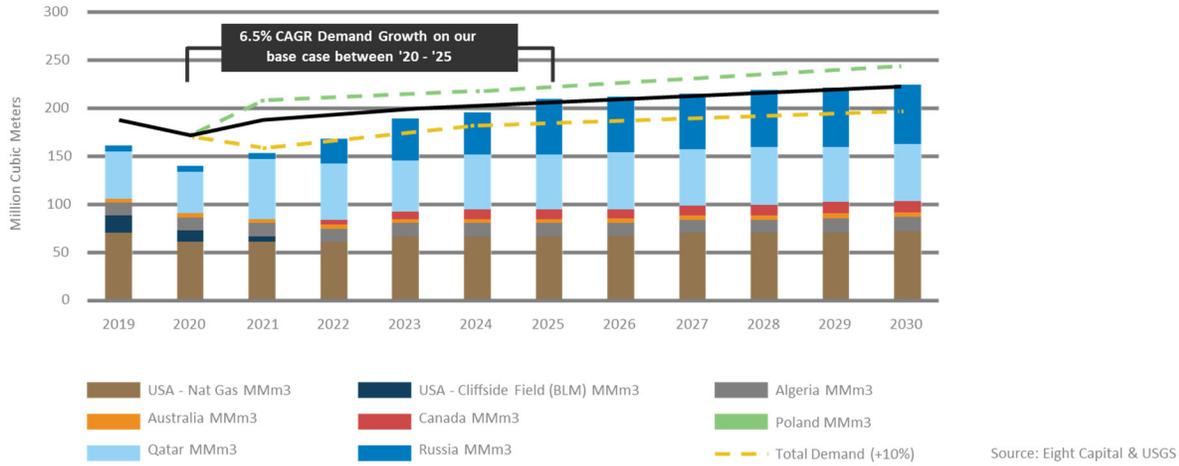
The specific contingencies resulting in the classification of contingent resources herein are based on existing access to infrastructure capacity and the current regulatory frameworks in which the Company operates.

SUPPLEMENTAL INFORMATION

Market for Helium

Helium has seen an increase in demand due to a number of uses that include: various uses in the medical industry, cryogenics, fibre optic cables, electronics & semiconductors, mobile phones, certain hard drives in computers and air bags for vehicles.

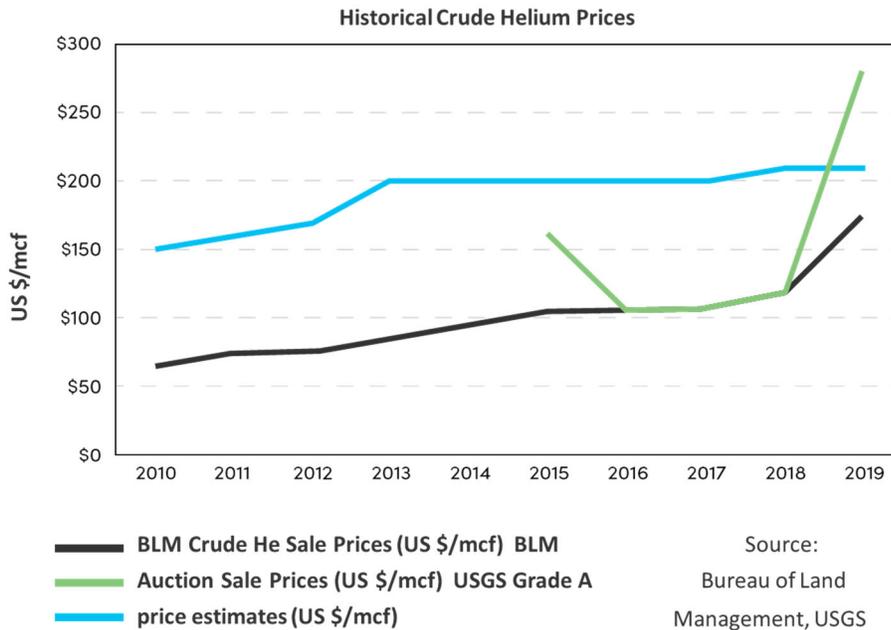
Anticipated global demand growth is summarized in the table below:



The United States is the world’s largest producer of helium accounting for approximately 40% of the supply of helium. However, the U.S. National Helium Reserve in Amarillo Texas no longer has any helium.

Historical Pricing of Helium

The following sets for the historical crude price for helium:



THE BUSINESS OF AVANTI HELIUM CORP.

Overview

The Company is a resource company whose Common Shares trade on TSX-V and OTC Markets Platform and is in the business of acquiring, exploring and developing helium projects in Canada and the United States.

The Company's principal project is a 100% interest in an aggregate of approximately 22,383.39 net acres and the right to earn or maintain a leasehold working interest, by virtue of drilling and/or the capability of production, or production operations, in an aggregate of approximately 53,206 net acres in North-Central Montana and Southern Alberta (collectively, the "**Greater Knappen Property**") and a 100% interest in a lease of two parcels of land consisting of an aggregate of 2,749 acres (1,112.48 hectares), located in the County of Petroleum, Montana (the "**Montana Property**").

Further information regarding the Company and its business is set out in the AIF under "*General Development of the Business*", which is incorporated by reference herein. The Company also has a 100% interest in approximately 80,000 net acres (32,374 hectares) in Leader region of southwestern Saskatchewan.

Name, Address and Incorporation

The Company was incorporated on March 7, 2011 under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") as "Overlord Capital Ltd.". On May 13, 2013, the Company changed its name to "Avanti Energy Inc.". On August 17, 2022, the Company changed its name to "Avanti Helium Corp.". The address of the Company's corporate office is 208A – 980 West 1st Street, North Vancouver, BC V7P 3N4. The registered and records office of the Company is located at Suite 704, 595 Howe Street, Vancouver, BC V6C 2T5.

The Company has a wholly owned subsidiary, Avanti Energy Montana Inc. ("**Avanti Montana**"). Avanti Montana is a corporation incorporated under the laws of Montana on July 29, 2021.

Resource Estimate

In June 2022, the Company received a total unrisksed contingent resource estimate of 187MMcf of net recoverable helium gas (based on a raw gas estimate of 17 billion cubic feet ("**Bcf**") recoverable and net helium concentration of 1.1%) prepared by McDaniel & Associates Consultants Ltd., a qualified reserves evaluator, for the WNG 11-22 well and underlying structure in the Greater Knappen Property. This volume represents the best estimate of the unrisksed contingent resource. The low and high estimates of unrisksed contingent resources are 66MMcf and 374MMcf of recoverable helium gas (based on 6 Bcf and 34 Bcf recoverable raw gas), respectively.

Based on the test data of the Flathead Cambrian Sandstone zone from the WNG 11-22 well, a best estimate contingent resource (2C) volume of 77MMcf of net helium (based on 7 Bcf raw gas) is assigned to the well in the category development pending. Two follow-up wells are forecasted to be drilled in the structure underlying WNG 11-22 and recover 55MMcf of net helium (based on 5 Bcf of raw gas), respectively.

The contingent resources have been risksed to account for the chance of commerciality. The contingent resources have been estimated at a 90% chance of commerciality. As such, the WNG 11-22 well has been assigned development pending risksed contingent resources of 6.3 Bcf raw gas in the 2C case, and the follow-up wells have been assigned 4.5 Bcf each in the 2C case, for a total risksed contingent resources of 168MMcf (based on 15.3 Bcf of raw gas). By comparison, and based on publicly available data, the largest producing pure play helium in Canada is the Wilhelm area of Saskatchewan and produced a total of 233MMcf of helium based on (16.3 Bcf of raw gas) over a 14-year period.

See "*Additional Information on Contingent Resource Estimate*".

RISK FACTORS

Investing in the Company's securities involves a high degree of risk. In addition to the other information included or incorporated by reference in this Prospectus (and in particular, the risk factors under the heading "Risk Factors" in the AIF), prospective investors should carefully consider the risks described below before purchasing the Offered Units. If any of the following risks or the risks incorporated by reference actually occur, the Company's business, financial

condition and results of operations could be materially and adversely affected. As a result, the trading price of the Company's securities, including but not limited to the Common Shares, could decline, and prospective investors might lose all or part of their investment. The risks set out below and incorporated by reference are not the only risks the Company faces; risks and uncertainties not currently known to the Company or that it currently deems to be immaterial may also materially and adversely affect the Company's business, financial condition and results of operations. Prospective Investors should also refer to the other information set forth or incorporated by reference in this Prospectus, including the AIF, the Company's consolidated financial statements and related notes thereto.

Risks Related to the Business of the Company

The Company's operations may be negatively affected by global financial conditions.

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various credit crises and significant fluctuations in fuel and energy costs and metals prices, including as a result of the COVID-19 pandemic and due to significant fluctuations in commodity prices as a result of the ongoing military conflict between Ukraine and Russia and the economic sanctions imposed on Russia in connection therewith. Many industries have been impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to international events, as government authorities may have limited resources to respond to future crises. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Offering, the Company's prospects, cash flows, results of operations, investments or financial condition or the value of the Common Shares. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability (such as the Russian invasion of Ukraine), changes to energy prices or sovereign defaults. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on prices, demand, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Offering, the Company's prospects, cash flows, results of operations, investments or financial condition or the value of the Common Shares.

The Company has experienced significant volatility in its share price as a result, in part, of dramatic changes in global financial conditions including but not limited to substantial increases in interest rates, and a wide-ranging sell off in equity markets. The Company expects these conditions to remain in place for the foreseeable future and as such cautions investors that equity financing may not be available as a result, either at all or under terms that would generally be perceived as normal or reasonable.

Risks Related to the Securities of the Company

Future sales or issuances of debt or equity securities could decrease the value of any existing Common Shares, dilute investors' voting power, reduce the Company's earnings per share and make future sales of the Company's equity securities more difficult.

The Company may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into equity securities) and may issue additional equity securities to finance operations, acquisitions or other projects. The Company cannot predict the size of future issuances of equity securities or the size and terms of future issuances of debt instruments or other securities convertible into equity securities or the effect, if any, that future issuances and sales of its securities will have on the market price of its Common Shares. Any transaction involving the issuance of previously authorized but unissued Common Shares, or securities convertible into Common Shares, would result in dilution, possibly substantial, to securityholders. Exercises of presently outstanding share options may also result in dilution to securityholders.

The board of directors of Avanti Helium Corp. (the "**Board**") has the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, its shareholders. Based on the need for additional capital to fund expected expenditures and growth, it is likely that the Company will issue additional securities to provide such capital. Such additional issuances may involve the issuance of a significant number of its Common Shares at prices less than the current market price for the Common Shares.

Sales of substantial amounts of the Company's securities, or the availability of such securities for sale, could adversely affect the prevailing market prices for the Company's securities and dilute investors' earnings per share. A decline in the market prices of the Company's securities could impair the Company's ability to raise additional capital through the sale of securities should the Company desire to do so. Sales of the Common Shares by shareholders might also make it more difficult for us to sell equity securities at a time and price that the Company deems appropriate.

The Company will have broad discretion over the use of the net proceeds of the Offering and it may not use these proceeds in a manner desired by its shareholders.

While detailed information regarding the use of proceeds from the sale of the Offered Units is set out in this Prospectus, the Company will have broad discretion over the use of the net proceeds from the Offering. Because of the number and variability of factors that will determine the Company's use of such proceeds, the Company's ultimate use might vary substantially from its planned use. Prospective investors may not agree with how the Company allocates or spends the proceeds from the Offering. The Company may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of its securities, including the market value of its Common Shares, and that may increase its losses.

There is no assurance of a sufficient liquid trading market for the Common Shares in the future.

Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of the Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Common Shares on the trading market, and that the Company will continue to meet the listing requirements of the TSX-V or achieve listing on any other public listing exchange.

There is currently no market through which the Company's securities, other than the Common Shares, may be sold.

The Warrants constitute a new issue of securities of the Company. There is currently no market through which the Warrants may be sold and purchasers of Offered Units may not be able to resell the Warrants purchased under this Prospectus. While the Company has applied to list the Warrants on the TSX-V, such listing is subject to TSX-V approval which is not guaranteed. If listed, the Warrants may trade at a discount depending on the market for similar securities, the Company's performance, the performance of the Common Shares and other factors. No assurance can be given that a liquid market for the Warrants will develop for the Warrants after the Offering, or if developed, that such a market will be sustained at the price level of the Offering. To the extent that an active trading market for the Warrants does not develop, the liquidity and trading price of the Warrants may be adversely affected.

Holders of Warrants have no rights as a shareholder.

Until a holder of Warrants acquires Warrant Shares upon exercise of Warrants, such holder will have no rights with respect to the Warrant Shares underlying such Warrants. Upon exercise of such Warrants, such holder will be entitled to exercise the rights of a common shareholder only as to matters for which the record date occurs after the exercise date.

USE OF PROCEEDS

Business Objectives and Milestones

The Company's business objectives over the next twelve months with the net proceeds of the Offering will be to carry out an extensive drill programs on the Greater Knappen Property, including:

- The drilling of a well on the Greater Knappen Property at an anticipated cost of \$3,000,000. The foregoing well is in addition to previously drilled wells by the Company. The Company has not yet determined the well to be drilled, and such drilling may be conducted on the Company's currently owned projects, or to earn the Company's interest in the Greater Knappen Property. The drilling may also be conducted on lands not yet owned by the Company and lands which the Company may never own in the Greater Knappen Property. The well is anticipated to be drilled in October, 2022; and

- Completion of the well in the Greater Knappen Property at an anticipated cost of up to \$1,000,000 in early 2023.

Prior to drilling a well on the Greater Knappen Property, the Company will be required to obtain the necessary permits. The Company does not anticipate any delays or challenges in obtaining the permits required for drilling the new well. The anticipated expenditures of these business objectives are set out in the section below.

Use of Proceeds

Upon completion of the Offering, the Company anticipates the net proceeds of the Offering will be \$4,885,000, after deducting the Agents' Fee of \$385,000 and anticipated expenses of the Offering of \$230,000 which will be used to advance the business objectives set forth below.

Assuming the full exercise of the Over-Allotment Option, the Company anticipates the additional net proceeds will be \$767,250 after deducting the additional Agents' Fee of \$57,750 in respect of the Additional Units, Additional Unit Shares and/or Additional Warrants sold. The additional net proceeds from the exercise of any portion of the Over-Allotment Option will be applied towards the unallocated working capital.

Business Objective	Anticipated Expenditure				(100% of the Offering and assuming full exercise of the Over-Allotment Option)
	(25% of the Offering)	(50% of the Offering)	(75% of the Offering)	(100% of the Offering)	
Drilling of a well in the Greater Knappen Property ⁽¹⁾	-	-	-	\$3,000,000	\$3,000,000
Completion of the well in the Greater Knappen Property	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Unallocated working capital ⁽²⁾	\$48,750	\$1,327,500	\$2,606,250	\$885,000	\$1,652,250

Notes:

- (1) The Company has not yet determined the well to be drilled, and the drilling may be conducted on the Company's currently owned projects, or to earn the Company's interest in the Greater Knappen Property.
- (2) Unallocated working capital will be designated for additional exploration costs, such as, any additional drill programs or seismic surveys that could be carried out with the anticipated drill programs.

The Company will have discretion to use the net proceeds differently than as described above, if the Company believes it is in its best interests to do so. The amounts and timing of the Company's actual expenditures will depend on numerous factors, including the results of drill stem tests, geophysical studies obtained and any unforeseen cash needs. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See "*Risk Factors - The Company will have broad discretion over the use of the net proceeds of the Offering and it may not use these proceeds in a manner desired by its shareholders*".

To date, the COVID-19 global pandemic has had a limited impact on the Company, however, COVID-19 and efforts to contain it may have an impact on the Company's business in the future. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. See "*Risk Factors - COVID-19 and Global Health Crisis*" in the AIF.

As the Company does not earn any revenues, it has a negative operating cash flow. Accordingly, the Company will use its existing working capital and, if necessary, unallocated working capital to satisfy its negative operating cash flow and general and administrative expenses. If the Company's negative operating cash flow increases, the Company may be required to raise additional funds through the issuance of additional securities in order to meet its obligations and to finance future growth opportunities, which may not be available on terms acceptable to the Company or at all. See "*Risk Factors - Negative Operating Cash Flow and Going Concern*" in the AIF.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at June 30, 2022, being the date of the most recently filed financial statements. This table should be read in conjunction with the interim consolidated financial statements of the Company as at and for the three and six months ended June 30, 2022 and June 30, 2021, and the related notes and management's discussion and analysis of financial condition and results of operations in respect of those financial statements, that are incorporated by reference in this Prospectus.

	As at June 30, 2022 before giving effect to the Offering (Unaudited)	As at June 30, 2022 after completion of 100% of the Offering and before giving effect to any exercise of the Over-Allotment Option (Unaudited)	As at June 30, 2022 After completion of 100% of the Offering and giving effect to the full exercise of the Over- Allotment Option ⁽⁴⁾ (Unaudited)
Common Shares	58,203,382	66,536,715 ⁽¹⁾	67,786,714 ⁽¹⁾
Warrants	5,257,171	13,590,504 ⁽²⁾	14,840,503 ⁽⁵⁾
Compensation Option Units	-	583,333	670,832
Stock Options	5,815,000	5,815,000 ⁽³⁾	5,815,000 ⁽³⁾

Notes:

- (1) Assumes no exercise of the 5,257,171 share purchase warrants or the 5,815,000 stock options outstanding as at June 30, 2022 before or concurrently with the completion of the Offering.
- (2) Includes 8,333,333 Warrants. Assumes no exercise of the 5,257,171 share purchase warrants outstanding as at June 30, 2022 before or concurrently with the completion of the Offering.
- (3) Assumes no exercise of the 5,815,000 stock options before or concurrently with the completion of the Offering.
- (4) If the Over-Allotment Option is exercised in full for Additional Units, there will be an additional 1,249,999 Unit Shares, 1,249,999 Warrants and 87,499 Compensation Option Units.
- (5) Includes 8,333,333 Warrants and 1,249,999 Additional Warrants. Assumes no exercise of the 5,257,171 share purchase warrants outstanding as at June 30, 2022 before or concurrently with the completion of the Offering.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Authorized Capital

As of the date of this Prospectus, 58,223,382 Common Shares are issued and outstanding.

Each Common Share entitles the holder thereof to one vote at any meeting of the Company's shareholders. The holders of Common Shares are entitled to receive if, as and when declared by the Board, dividends in such amounts as shall be determined by the Board. The holders of Common Shares have the right to receive the Company's remaining property and assets in the event of a liquidation, dissolution or winding-up, whether voluntary or involuntary. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Offered Units

Each Offered Unit is comprised of one Unit Share and one Warrant. Each Warrant entitles the holder thereof to acquire one Warrant Share at an exercise price of \$0.80 at any time until the date that is 24 months after the Closing Date.

Warrants

The Warrants will be governed by the terms of the Warrant Indenture to be dated as of the Closing Date between the Company and the Warrant Agent. The following provides a summary of certain provisions that are anticipated in the Warrant Indenture, and does not purport to be complete. This discussion is subject, in its entirety, to the detailed provisions of the Warrant Indenture. Reference is made to the Warrant Indenture for the full text of the attributes of the Warrants, which will be filed by the Company under its corporate profile on SEDAR following the closing of the Offering. A register of holders will be maintained at the principal offices of the Warrant Agent in Vancouver, British Columbia.

The Unit Shares and the Warrants comprising the Offered Units will automatically separate following the closing of the Offering. Each Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.80 on or before 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date, after which time the Warrants will expire and be void and of no value.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

- (a) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares;
- (b) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares;
- (c) the issuance of Common Shares or securities exchangeable or exercisable for, or convertible into, Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than a distribution of Warrant Shares upon the exercise of Warrants);
- (d) the issuance to all or substantially all of the holders of the Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not less than 21 days and not more than 90 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable or exercisable for or convertible into Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, for the Common Shares on such record date; and
- (e) the issuance or distribution to all or substantially all of the holders of the Common Shares of shares of any class other than the Common Shares, rights, options or warrants to acquire Common Shares or securities exchangeable or exercisable for or convertible into Common Shares, of evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustments in the class and/or number of securities issuable upon exercise of the Warrants and/or exercise price per security in the event of the following additional events: (a) reclassifications of the Common Shares or a capital reorganization of the Company (other than as described in clauses (i) or (ii) above), (b) consolidations, amalgamations, arrangements, mergers or other business combination of the Company with or into another entity, or (c) a sale or conveyance of the property and assets of the Company as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity, in which case each holder of a Warrant which is thereafter exercised will receive, in lieu of Warrant Shares, the kind and number or amount of other securities or property which such holder would have been entitled to receive as a result of such event if such holder had exercised the Warrants prior to the event.

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 10 business days prior to the record date or effective date, as the case may be, of such events. No fractional Warrant Shares will be issuable upon the exercise of any Warrants, and no cash or other consideration will be paid in lieu of fractional shares. Holders of Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Warrant Shares would have. From time to time, the Company and the Warrant Agents, without the consent of the holders of

Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which will be defined in the Warrant Indenture as a resolution either (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (ii) adopted by an instrument in writing signed by the holders of not less than 66⅔% of the aggregate number of all then outstanding Warrants.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by, or for the account or benefit of, a person in the United States or a U.S. person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing to such effect in form and substance reasonably satisfactory to the Company; provided, however, that a holder that is a Qualified Institutional Buyer who acquired Warrants in the Offering pursuant to Section 4(a)(2) under the U.S. Securities Act for its own account or for the account of another Qualified Institutional Buyer, who is exercising such Warrants for its own account or for the account of such original beneficial purchaser at a time when both it and such original beneficial purchaser remain Accredited Investors, will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Offered Units and Additional Units.

As of the date hereof, there is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under the terms of this Prospectus. The Company has applied to list the Warrants and the Additional Warrants on the TSX-V. Such listing is subject to TSX-V approval which is not guaranteed. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “*Risk Factors*”.

The Additional Warrants and Agents Unit Warrants will also be governed by the terms of the Warrant Indenture.

Compensation Option Units

As additional compensation, on the Closing Date, the Company has agreed to issue to the Agents the Compensation Option Units exercisable to acquire that number of Agents Units that is equal to 7% of the number of Offered Units sold pursuant to the Offering and any exercise of the Over-Allotment Option. Each Compensation Option Unit will be exercisable into one Agents Unit at the Offering Price for a period of 24 months from the Closing Date. Each Agents Unit will be comprised of one Agents Unit Share and one Agents Unit Warrant. Each Agents Unit Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Agents Unit Warrant Share at an exercise price of \$0.80 on or before 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date, after which time the Agents Unit Warrants will expire and be void and of no value.

The Compensation Option Units, Agents Units, Agents Unit Shares, Agents Unit Warrants and Agents Unit Warrant Shares are qualified under this Prospectus.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Company has agreed to sell and the Agents have agreed to offer for sale to the public on a “best efforts” agency basis, up to 8,333,333 Offered Units at the Offering Price, payable in cash to the Company against delivery of such Offered Units, subject to compliance with all necessary legal requirements and to the terms and conditions contained in the Agency Agreement. While the Agents have agreed to use their best efforts to sell the Offered Units, the Agents are not obligated to purchase any Offered Units that are not sold. The Offering Price was determined by arm’s length negotiation between the Company and the Agents.

Each Offered Unit is comprised of one Unit Share and one Warrant. Each Warrant entitles the holder thereof to purchase one Warrant Share at a price of \$0.80 for a 24 month period immediately following the Closing Date, subject to adjustment in certain events. The Warrants shall be created and issued pursuant to the terms and conditions of the Warrant Indenture.

The Company has agreed to pay the Agents a fee of \$0.0462 per Offered Unit in connection with the distribution of the Offered Units pursuant to the Offering and any exercise of the Over-Allotment Option. As additional compensation, on the Closing Date, the Company has agreed to issue to the Agents Compensation Option Units exercisable to acquire that number of Agents Units that is equal to 7% of the number of Offered Units sold pursuant to the Offering and any exercise of the Over-Allotment Option. Each Compensation Option Unit will be exercisable for one Agents Unit at a price of \$0.66 for a period of 24 months from the Closing Date. Each Agents Unit will be comprised of one Agents Unit Share and one Agents Unit Warrant. Each Agents Unit Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.80 on or before 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date, after which time the Agents Unit Warrants will expire and be void and of no value.

This Prospectus qualifies the distribution of the Compensation Option Units and the Agents Units, Agents Unit Shares and Agents Unit Warrants issuable upon exercise of the Compensation Option Units and the Agents Unit Warrant Shares issuable upon exercise of the Agents Unit Warrants.

The Company has also granted the Agents the Over-Allotment Option, exercisable in whole or in part in the sole discretion of the Agents for a period of 30 days, to purchase Additional Units, Additional Unit Shares and/or Additional Warrants, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agents to acquire Additional Units at the Offering Price, so long as the number of Additional Units, Additional Unit Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed (i) 1,249,999 Additional Units or (ii) 1,249,999 Additional Unit Shares and 1,249,999 Additional Warrants. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Additional Units, Additional Unit Shares and/or Additional Warrants issuable upon exercise of the Over-Allotment Option. A purchaser who acquires securities forming part of the Agents' over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The Company will also pay certain out-of-pocket expenses incurred by the Agents in connection with the Offering as set forth in the Agency Agreement. The Agency Agreement also provides that the Company will indemnify the Agents and its directors, officers, employees, shareholders and Agents against certain liabilities and expenses or will contribute to payments that the Agents may be required to make in respect thereof.

The Unit Shares and Warrants comprising the Offered Units and the Additional Shares and Additional Warrants comprising the Additional Units, and the Warrant Shares issuable upon the exercise of the Warrants and the Additional Warrant Shares issuable upon the exercise of the Additional Warrants have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons or persons in the United States except that the securities may be offered, sold or delivered in the United States in accordance with the Agency Agreement and pursuant to an exemption from registration under the U.S. Securities Act and applicable U.S. state securities laws. The Agency Agreement permits the Agents to offer and sell the Offered Units to, or for the account or benefit of, U.S. persons or persons in the United States that are Qualified Institutional Buyers pursuant to the exemption from registration contained in Section 4(a)(2) under the U.S. Securities Act.

The Company has applied to the TSX-V to conditionally approve the listing of the Unit Shares, Warrant Shares, Agents Unit Shares and Agents Unit Warrant Shares issued pursuant to the Offering and the exercise of the Over-Allotment Option. There is currently no market through which the Warrants may be sold. The Company has also applied to list the Warrants (including any Additional Warrants). The listings are subject to the Company fulfilling all of the requirements of the TSX-V included in the conditional approval.

The obligations of the Agents under the Agency Agreement are subject to certain closing conditions and may be terminated at its discretion on the basis of "disaster out", "material change out", "regulatory out", "breach out" and "market out" provisions in the Agency Agreement and may also be terminated upon the occurrence of certain other stated events. The Agents are offering the Offered Units subject to prior sale if, as and when issued to and accepted by it, subject to certain conditions contained in the Agency Agreement, such as receipt by the Agents of officers' certificates and legal opinions.

The Agents propose to offer the Offered Units initially at the Offering Price. After the Agents have made a reasonable effort to sell all of the Offered Units at such price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Agents will be decreased by the amount that the aggregate price paid by purchasers for the Offered Units is less than the net proceeds paid by the Agents to the Company.

Subscriptions for Offered Units will be received by the Agents subject to rejection or allotment in whole or in part and the right is reserved to close the subscription book at any time without notice. An electronic Deposit ID evidencing the Offered Units is expected to be registered to CDS and will be deposited with CDS at the Closing Date or such other date as may be agreed upon between the Company and the Agents. A purchaser of Offered Units will receive only a customer confirmation from the registered dealer through which the Offered Units are purchased. It is expected that delivery of the Offered Units will be made against payment therefor on or about the Closing Date, which is expected to be on or about October 24, 2022.

Pursuant to applicable rules and/or policy statements of certain securities regulators, the Agents may not, throughout the period of distribution under this Prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions, provided that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. These exceptions include a bid or purchase permitted under the rules of applicable self-regulatory organizations relating to market stabilization and passive market-making activities and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing and applicable laws, the Agents may over-allot or effect transactions in connection with the Offering intended to stabilize or maintain the market price of the Common Shares at levels above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Company has agreed that it will not, directly or indirectly, issue any Common Shares or securities convertible into Common Shares for a period of 90 days from the Closing Date without the prior written consent of the Agents, such consent not to be unreasonably withheld, except in conjunction with (i) the grant or exercise or vesting of stock options, restriction share units, deferred share units and similar issuances pursuant to the equity incentive plans of the Company and other stock-based compensation arrangements including, for greater certainty the sale of any shares issued thereunder, (ii) exercise or conversion of outstanding convertible securities (including Warrants, Additional Warrants, Compensation Option Units and Agents Unit Warrants); (iii) any bona fide arm's length acquisitions; and (iv) any obligations in respect of existing agreements.

The Company has also agreed to use its best efforts to cause officers and directors of the Company, and their respective associates, to enter into lock-up agreements pursuant to which each such person agrees not to (subject to certain exceptions), for a period of 90 days following the closing of the Offering, directly or indirectly, offer, sell, contract to sell, transfer, pledge, assign, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, or announce any of the foregoing, any Common Shares or other convertible securities of the Company held by them, directly or indirectly, without prior consent of the Agents, which consent will not be unreasonably withheld, other than pursuant to the terms of the lock up agreements.

PRIOR SALES

During the 12-month period before the date of this Prospectus, the Company completed the following issuances of securities:

Date of Sale or Grant	Issue Price	Security	Number
October 28, 2021 ⁽¹⁾	\$0.20	Common Shares	350,000
November 5, 2021 ⁽²⁾	-	Stock Options	150,000
November 17, 2021 ⁽¹⁾	\$0.20	Common Shares	200,000

Date of Sale or Grant	Issue Price	Security	Number
November 18, 2021 ⁽¹⁾	\$0.20	Common Shares	200,000
December 29, 2021 ⁽³⁾	-	Stock Options	210,000
February 11, 2022 ⁽¹⁾	\$1.00	Common Shares	65,700
February 16, 2022 ⁽¹⁾	\$1.00	Common Shares	22,800
March 1, 2022 ⁽¹⁾	\$1.00	Common Shares	4,230
March 15, 2022 ⁽⁴⁾	\$1.23	Units	8,414,500
March 15, 2022 ⁽⁵⁾	-	Warrants	589,018
March 21, 2022 ⁽¹⁾	\$1.00	Common Shares	114,000
March 23, 2022 ⁽¹⁾	\$1.00	Common Shares	3,600
March 25, 2022 ⁽¹⁾	\$1.00	Common Shares	4,800
March 29, 2022 ⁽⁶⁾	-	Stock Options	935,000
April 14, 2022 ⁽¹⁾	\$0.60	Common Shares	10,000
September 19, 2022 ⁽¹⁾	\$0.60	Common Shares	20,000

Notes:

- (1) Common Shares issued upon exercise of warrants.
- (2) Each stock option exercisable at \$1.64 to acquire one Common Share until November 5, 2026.
- (3) Each stock option exercisable at \$1.53 to acquire one Common Share until December 29, 2026.
- (4) Each March 2022 unit (a “**March 2022 Unit**”) is comprised of one Common Share and one-half of one (1/2) common share purchase warrant (a “**March 2022 Warrant**”), each March 2022 Warrant is exercisable at \$1.60 to acquire one Common Share until March 15, 2024.
- (5) Each March 2022 agents warrant exercisable to acquire one March 2022 Unit. Each March 2022 compensation option unit is exercisable for one March 2022 Unit at a price of \$1.23 per March 2022 Unit until March 15, 2024.
- (6) Each stock option exercisable at \$1.36 to acquire one Common Share until March 29, 2027.

TRADING PRICE AND VOLUME

The Common Shares are listed and posted for trading on the TSX-V under the symbol “AVN”. The following table sets forth the reported highest and lowest sale prices and the aggregate volume of trading of the Common Shares on the TSX-V for the twelve months immediately preceding the date of this Prospectus:

	Price Range		Volume
	High (\$)	Low (\$)	
2022			
October 1 to 6	0.85	0.60	1,175,226
September	1.04	0.77	1,752,672
August	1.18	0.99	1,336,970
July	1.18	0.96	1,350,841
June	1.50	1.00	2,359,660
May	1.56	1.10	4,057,838
April	1.74	1.23	9,286,475
March	1.41	1.07	11,254,120
February	1.71	1.16	5,296,186
January	1.84	1.25	2,494,444
2021			
December	1.68	1.15	2,463,197
November	1.65	1.20	1,102,709
October	1.93	1.43	1,553,500

ELIGIBILITY FOR INVESTMENT

In the opinion of Thorsteinssons LLP, special Canadian tax counsel to the Company, based on the provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations to the Tax Act (“**Regulations**”) in force on the date hereof, provided the Common Shares are listed on a “designated stock exchange” (as such term is defined in the Tax Act and which currently includes the TSX-V) or the Company is otherwise a “public corporation” (as such term is defined in the Tax Act) at the particular time, the Unit Shares, Warrants and Warrant Shares will at that time be “qualified investments” under the Tax Act for trusts governed by registered retirement savings plans (“**RRSPs**”), registered retirement income funds (a “**RRIFs**”), deferred profit sharing plans, registered education savings plans (“**RESP**”), registered disability savings plans (“**RDSP**”) or tax-free savings accounts (“**TFSAs**” and collectively the “**Tax Deferred Plans**”) and provided further in the case of the Warrants, the Company is not an annuitant, a beneficiary, an employer or a subscriber under or a holder of a Tax Deferred Plan and deals at arm’s length with each person who is an annuitant, a beneficiary, an employer or a subscriber under or a holder of such plan. **Holders who intend to hold Unit Shares, Warrants or Warrant Shares issued pursuant to the Offering or the exercise of the Over-Allotment Option in a Tax Deferred Plan should consult their own tax advisors regarding whether such securities are a “qualified investment” at the relevant time for such Tax Deferred Plan.**

Notwithstanding that the Unit Shares, Warrant Shares and Warrants may be qualified investments for a RRSP, RRIF, RESP, RDSP or TFSA (a “**Registered Plan**”), if the Unit Shares, Warrant Shares or Warrants issued pursuant to the Offering or the exercise of the Over-Allotment Option, as the case may be, are a “prohibited investment” within the meaning of the Tax Act for a Registered Plan, the holder of the TFSA or the RDSP, the subscriber of the RESP or annuitant of the RRSP or RRIF, as the case may be, will be subject to penalty taxes as set out in the Tax Act. The Unit Shares, Warrant Shares and Warrants issued pursuant to the Offering or the exercise of the Over-Allotment Option will generally not be a prohibited investment for a Registered Plan if the holder or annuitant, as the case may be, (a) deals at arm’s length with the Company for the purposes of the Tax Act, and (b) does not have a “significant interest” (as defined in the Tax Act) in the Company. In addition, Unit Shares and Warrant Shares issued pursuant to the Offering or the exercise of the Over-Allotment Option will not be a prohibited investment if the Unit Shares and Warrant Shares are “excluded property” for a trust governed by a Tax Deferred Plan within the meaning of the prohibited investment rules in the Tax Act. **Holders who intend to hold Unit Shares, Warrant Shares or Warrants issued pursuant to the Offering or the exercise of the Over-Allotment Option in a Registered Plan should consult their own tax advisors regarding whether such securities would be prohibited investments in their particular circumstances.**

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Thorsteinssons LLP, special Canadian tax counsel to the Company the following is, as of the date of this Prospectus, a fair summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act and the Regulations to a purchaser who acquires as beneficial owner Unit Shares and Warrants pursuant to the Offering or the exercise of the Over-Allotment Option and who, for purposes of the Tax Act, deals at arm’s length and is not affiliated with the Company or the Agents, and acquires and holds the Unit Shares, Warrants and Warrant Shares as capital property (a “**Holder**”). Generally, the Unit Shares, Warrants and Warrant Shares will be considered to be capital property to a Holder provided that the Holder does not use or hold the Unit Shares, Warrants and Warrant Shares in the course of carrying on a business and such Holder has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to (i) a Holder that is a “financial institution” (as defined in the Tax Act for the purposes of the mark-to-market rules), (ii) a Holder where an interest in such Holder would be a “tax shelter investment” (as defined in the Tax Act), (iii) a Holder that is a “specified financial institution” (as defined in the Tax Act), (iv) a Holder whose functional currency for purposes of the Tax Act is the currency of a country other than Canada, or (v) a Holder who enters into a “derivative forward agreement” (as defined in the Tax Act) with respect to the Unit Shares.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada (for the purposes of the Tax Act) or a corporation that does not deal at arm’s length (for the purposes of the Tax Act) with a corporation resident in Canada and that is, or becomes, controlled by a non-resident person (or group of non-resident persons that do not deal at arm’s length with each other for the purposes of the Tax Act) for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. **Such Holders should consult their tax advisors with**

respect to the consequences of acquiring the Offered Units.

This general summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of the Offered Units.

This summary is based on the facts set out in this Prospectus, the provisions of the Tax Act and the Regulations in force as of the date hereof, and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "CRA") published in writing by the CRA and publicly available prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Tax Proposals") and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies or assessing practices of the CRA, whether by way of judicial, legislative or governmental decision or action. This summary is not exhaustive of all possible Canadian federal income tax considerations, and does not take into account other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ materially from those described in this summary.

This summary is of a general nature only and is not, and is not intended to be, and should not be construed to be, legal or tax advice to any particular Holder, and no representations concerning the tax consequences to any particular Holder are made. The tax consequences of acquiring, holding and disposing of Unit Shares will vary according to the Holder's particular circumstances. **Holders should consult their own tax advisors regarding the tax considerations applicable to them having regard to their particular circumstances.**

Allocation of Offering Price

Holders will be required to allocate the aggregate cost of an Offered Unit between the Unit Share and the one-half of one Warrant on a reasonable basis in order to determine their respective costs for the purposes of the Tax Act. The Company intends to allocate as consideration for their issue \$0.54 to each Unit Share and \$0.12 to each Warrant acquired as part of an Offered Unit. As of the date of this prospectus, the Company believes that such allocation is reasonable, but such allocation will not be binding on the CRA or a Holder. The adjusted cost base to a Holder of a Unit Share acquired as part of an Offered Unit will be determined by averaging the cost of such Unit Share with the adjusted cost base of all common shares of the Company held by the Holder as capital property immediately before such acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder on the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging the cost of the Warrant Share with the adjusted cost base to the Holder of all common shares of the Company held as capital property immediately before the acquisition of the Warrant Share.

Holders Resident in Canada

The following portion of this summary is applicable to a Holder who, for the purposes of the Tax Act and any applicable tax treaty or convention and at all relevant times, is or is deemed to be resident in Canada (a "Resident Holder"). A Resident Holder to whom the Unit Shares or Warrant Shares might not constitute capital property may make, in certain circumstances, the irrevocable election permitted by subsection 39(4) of the Tax Act to have the Unit Shares and Warrant Shares, and all other Canadian securities held by such person, treated as capital property. This election does not apply to Warrants. Resident Holders considering making such election should first consult their own tax advisors.

Expiry of Warrants

The expiry of an unexercised Warrant generally will result in a capital loss to the Resident Holder equal to the adjusted cost base of the Warrant to the Resident Holder immediately before its expiry. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "*Capital Gains and Capital Losses*".

Taxation of Dividends

Dividends received or deemed to be received on Unit Shares or Warrant Shares will be included in computing a Resident Holder's income for the purposes of the Tax Act. In the case of an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" (as such term is defined in the Tax Act) received from a corporation resident in Canada. An enhanced dividend tax credit will be available to individuals (other than certain trusts) in respect of "eligible dividends" designated by the Company to the Resident Holder in accordance with the provisions of the Tax Act. There may be limitations on the ability of the Company to designate dividends as "eligible dividends".

Dividends received or deemed to be received on the Unit Shares or Warrant Shares by a Resident Holder that is a corporation must be included in computing its income but generally will be deductible in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a "private corporation" or a "subject corporation" (as such terms are defined in the Tax Act), may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Unit Shares or Warrant Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income for the year.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) also may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year, which is defined to include an amount in respect of dividends or deemed dividends that are not deductible in computing taxable income. On April 7, 2022, the Minister of Finance (Canada) released the 2022 Federal Budget, which proposed to introduce the new category of "substantive CCPC" to the Tax Act, and which proposed to apply the refundable tax regime to investment income earned by any corporation that is not a CCPC but that meets the definition of "substantive CCPC". The 2022 Federal Budget also proposed to introduce anti-avoidance rules that could deem certain corporations resident in Canada that do not otherwise qualify as a "substantive CCPC" to so qualify. On August 9, 2022, legislative proposals relating to the Tax Act were released by the Department of Finance which sought to implement certain measures previously announced in the 2022 Federal Budget, including the proposed substantive CCPC rules. Resident Holders that are corporations resident in Canada that could qualify or could be deemed to qualify as substantive CCPCs should consult their own tax advisers.

Dispositions of Unit Shares, Warrants and Warrant Shares

Upon a disposition or a deemed disposition of a Unit Share or a Warrant Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by a member of the public in an open market) or a Warrant, a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of such security to the Resident Holder. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "*Capital Gains and Capital Losses*".

Capital Gains and Capital Losses

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

The amount of any capital loss realized on the disposition or deemed disposition of Unit Shares or Warrant Shares by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares, to the extent and in the circumstances specified by the Tax Act. Similar rules may apply where a Unit Share or Warrant Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

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

Minimum Tax

Capital gains realized and dividends received by a Resident Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Resident Holders should consult their own advisors with respect to the application of the minimum tax.

Holders Not Resident in Canada

The following portion of this summary is applicable to a Holder who, for the purposes of the Tax Act and any applicable tax treaty or convention and at all relevant times, is not resident or deemed to be resident in Canada and who does not use or hold (and is not deemed to use or hold) the Unit Shares, Warrants or Warrant Shares in connection with a business carried on in Canada (a “**Non-Resident Holder**”).

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or is an “authorized foreign bank” (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company will generally be subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend unless such rate is reduced by the terms of an applicable tax treaty. Under the *Canada-United States Tax Convention (1980)*, as amended (the “**Treaty**”), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty and fully entitled to benefits under the Treaty (a “**U.S. Holder**”) is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company’s voting shares).

Dispositions of Shares, Warrants and Warrant Shares

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

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

A Non-Resident Holder’s capital gain (or capital loss) in respect of a disposition of Unit Shares, Warrants or Warrant Shares that constitute or are deemed to constitute taxable Canadian property to a Non-Resident Holder (and are not “treaty-protected property” as defined in the Tax Act) will generally be computed in the manner described above under the subheading “*Holders Resident in Canada — Dispositions of Unit Shares, Warrants and Warrant Shares*” and “*Holders Resident in Canada – Capital Gains and Capital Losses*”.

Non-Resident Holders whose Unit Shares, Warrant or Warrant Shares constitute taxable Canadian property should consult their own tax advisors regarding the tax and compliance considerations that may be relevant to them.

RECENTLY COMPLETED AND PROBABLE ACQUISITIONS

The Company has not completed nor proposes to complete a significant acquisition for the purposes of Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations*.

INTERESTS OF EXPERTS

Certain legal matters related to the Company’s securities offered by this Prospectus will be passed upon on the Company’s behalf by O’Neill Law LLP and, in respect of certain Canadian federal income tax considerations, Thorsteinssons LLP, and on the Agents’ behalf by Torys LLP. The partners and associates of each of O’Neill Law LLP, Torys LLP and Thorsteinssons LLP beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Company.

None of the designated professionals of McDaniel and Associates Consultants Ltd., independent resource evaluators of the Company, have any registered or beneficial interests, direct or indirect, in any of the Company’s securities or other property or of the Company’s associates or affiliates either at the time they prepared the statements, reports or valuations prepared by it, at any time thereafter or to be received by them.

AUDITORS, REGISTRAR AND TRANSFER AGENT

The auditors of the Company are Davidson & Company LLP, Chartered Professional Accountants, at its offices located at Suite 1200, 609 Granville Street, Vancouver, British Columbia, V7Y 1G6. Davidson & Company LLP is independent from the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The transfer Agent and registrar for the Common Shares in Canada is Computershare Investor Services Inc. at its principal offices in Vancouver, British Columbia.

OTHER MATERIAL FACTS

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

WHERE MORE INFORMATION CAN BE FOUND

We are required to file with the securities commission or authority in all of the provinces of Canada, except Québec, annual and quarterly reports, material change reports and other information.

Prospective investors may read any document we file with or furnish to the securities commissions and authorities of all provinces of Canada, except Québec, through SEDAR at www.sedar.com.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in this Prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser. Under the Warrant Indenture, original purchasers of Warrants and Additional Warrants pursuant to the Offering will have a non-assignable contractual right of rescission if this Prospectus (including documents incorporated herein and therein by reference) or any amendment hereto contains a misrepresentation (within the meaning of the *Securities Act* (Ontario) (the "**Securities Act**")), provided such remedy for rescission is exercised within 180 days of the closing of the Offering, following which this contractual right of rescission will be null and void. This contractual right of rescission shall be subject to the defences, limitations and other provisions described under part XXIII of the Securities Act, and is in addition to any other right or remedy available to original purchasers under section 130 of the Securities Act or otherwise at law. For greater certainty, this contractual right of rescission under the Warrant Indenture is only available in connection with a misrepresentation (within the meaning of the Securities Act) and is not a right to withdraw from an agreement to purchase securities within two business days as provided in securities legislation in certain provinces of Canada.

CERTIFICATE OF THE ISSUER

Dated: October 7, 2022

This Prospectus, together with the documents incorporated in this Prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of Canada, except Québec.

“Chris Bakker”

Chris Bakker
Chief Executive Officer

“Brad Paterson”

Brad Paterson
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Michael Leo”

Michael Leo
Director

“Robin Gamley”

Robin Gamley
Director

CERTIFICATE OF THE AGENTS

Dated: October 7, 2022

To the best of our knowledge, information and belief, this amended and restated short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated short form prospectus as required by the securities legislation of each of the province of Canada, except Québec.

“Dion Degrand”

RAYMOND JAMES LTD.

Dion Degrand
Managing Director, Head of Canadian Oil
& Gas Investment Banking

“Daniel Belchers”

BEACON SECURITIES LIMITED

Daniel Belchers
Managing Director

“Erik Pederson”

CORMARK SECURITIES INC.

Erik Pederson
Managing Director

“Matthieu Couillard”

HAYWOOD SECURITIES INC.

Matthieu Couillard
Managing Director