

A copy of this preliminary prospectus has been filed with the securities regulatory authorities in each of the provinces of British Columbia, Alberta and Ontario and with the TSX Venture Exchange Inc. (the "Exchange") but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authorities in British Columbia, Alberta and Ontario.

This prospectus constitutes a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and, in such jurisdictions, only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PRELIMINARY PROSPECTUS

Initial Public Offering

July 18, 2019

DURO METALS INC. (a capital pool company)

\$300,000 (3,000,000 Common Shares)

Price: \$0.10 per Offered Share

The purpose of this offering (the "**Offering**") is to provide Duro Metals Inc. (the "**Corporation**") with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereinafter defined. Any proposed Qualifying Transaction must be approved by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, as hereinafter defined, must also receive Majority of the Minority Approval, as hereinafter defined, in accordance with Policy 2.4 of the Exchange (the "**CPC Policy**"). The Corporation is a CPC, as defined herein, that has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction. See "*Business of the Corporation*" and "*Use of Proceeds*".

The Offering is being conducted on a commercially reasonable efforts basis on behalf of the Corporation through its agent, Mackie Research Capital Corporation (the "**Agent**"), in the Provinces of British Columbia, Alberta and Ontario and is subject to the receipt by the Corporation of subscriptions for 3,000,000 common shares, in the capital of the Corporation (the "**Offered Shares**"), at a price of \$0.10 per Offered Share (the "**Offering Price**"), for aggregate gross proceeds of \$300,000. The offering price of the Offered Shares was determined by negotiation between the Corporation and the Agent in accordance with the CPC Policy. All funds received from subscriptions for Offered Shares will be held by the Agent pursuant to the terms of the Agency Agreement (as hereinafter defined). If the Offering is not completed within 90 days of the issuance of a Final Receipt (as hereinafter defined) or such other time as may be consented to by the Agent and persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. See "*Plan of Distribution*".

	Offered Shares	Price to Public	Agent's Commission⁽²⁾	Net Proceeds to the Corporation⁽³⁾
Per Offered Share ⁽¹⁾	1	\$0.10	\$0.01	\$0.09
Offering ⁽³⁾	3,000,000	\$300,000	\$27,000	\$273,000

Notes:

- (1) Pursuant to the Agency Agreement (as hereinafter defined), 3,000,000 Offered Shares are offered hereunder, not including the Common Shares (as hereinafter defined) issuable on the exercise of the Agent's Option (as hereinafter defined).
- (2) The Agent will receive a commission (the "**Agent's Commission**") equal to 9% of the gross proceeds from the sale of the Offered Shares pursuant to this Offering. The Agent will also receive a non-refundable corporate finance fee equal to \$10,000 (plus G.S.T.) (the "**Corporate Finance Fee**"). The Agent will be reimbursed by the Corporation for its reasonable expenses and legal fees and will be granted the Agent's Option referred to herein, which are exercisable for a period of 24 months from the date of listing of the Corporation's Common Shares on the Exchange. Not more than 50% of any Common Share or received by the Agent through the exercise of the Agent's Option may be sold by the Agent prior to the Completion of the Qualifying Transaction, the remaining 50% may be sold after the Completion of the Qualifying Transaction. See "*Plan of Distribution – Agency Agreement and Agent's Compensation*".
- (3) Before deducting the costs of this issue estimated at \$55,000, which includes audit fees and other expenses of the Corporation, including amounts spent to the date of this Offering, the Corporate Finance Fee, legal fees, printing fees, filing fees, disbursements and the listing fees payable to the Exchange, of which \$10,000 in respect of the Agent's expenses, including the Agent's legal fees and disbursements and \$10,000 (plus G.S.T.) in respect of the non-refundable portion of the Corporate Finance Fee, have been paid. See "*Use of Proceeds*".

Pursuant to the Agency Agreement, the Agent will receive an option (the "**Agent's Option**") to acquire up to 9% (or 270,000) of the Offered Shares sold under the Offering at a price of \$0.10 per Common Share, exercisable for a period of 24 months from the date of listing of the Corporation's Common Shares on the Exchange. The Agent's Option is qualified for distribution under this Prospectus to the maximum extent permitted by NI 41-101 (defined herein). See "*Plan of Distribution – Agency Agreement and Agent's Compensation*".

Other than the initial distribution of the Offered Shares pursuant to this Prospectus, the grant of the Agent's Option, the grant of the Stock Options to the directors and officers of the Corporation, trading in all securities of the Corporation is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the designated securities commission that is the principal regulator for the Corporation, pursuant to Multilateral Instrument 11-102 *Passport System* ("**Principal Regulator**"), and the time the Common Shares are listed for trading on the Exchange except, subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authority grants a discretionary order.

The Corporation has applied to list its Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

Investment in the Offered Shares offered by this Prospectus is highly speculative due to the nature of the Corporation's business and its present stage of development. This Offering is suitable only to those investors who are prepared to risk the loss of their entire investment. See "*Risk Factors*".

There is no market through which the Offered Shares offered by this Prospectus may be sold and purchasers may not be able to dispose of them on a timely basis. The Corporation was only recently incorporated and does not currently own any assets other than cash. The business objective of the Corporation is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction which receives Exchange approval and, in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval of the Corporation's shareholders. There can be no assurance that the Corporation will successfully complete a Qualifying Transaction. The Exchange may suspend from trading or de-list the Common Shares where the Corporation has failed to complete a Qualifying Transaction within 24 months of the date of listing. Investors must rely solely on the expertise of the Corporation's Promoters, as hereinafter defined, directors and officers for any possible return on their investment. The directors and officers of the Corporation will only devote part of their time to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. See "*Capitalization*", "*Business of the Corporation*", "*Directors, Officers and Promoter*", "*Use of Proceeds*", "*Directors, Officers and Promoters - Conflicts of Interest*" and "*Risk Factors*".

This Offering is subject to the CPC Policy and the securities laws in the Provinces of British Columbia, Alberta and Ontario. Pursuant to the CPC Policy, no purchaser of Offered Shares is permitted to directly or indirectly purchase more than 2% of the total Offered Shares, being 60,000 Offered Shares (\$6,000), under this Prospectus. In addition, the maximum number of Offered Shares that may directly or indirectly be purchased by that purchaser, together with any Associates or Affiliates of that purchaser, is 4% of the total number of Offered Shares, being 120,000 Offered Shares (\$12,000) under this Prospectus.

The Agent hereby conditionally offers for sale the Offered Shares on a "commercially reasonable efforts" basis, if, as and when subscriptions are accepted by the Corporation, in accordance with the terms and conditions of the Agency Agreement referred to under "*Plan of Distribution*" and subject to the approval of certain legal matters by Heighington Law Firm, Calgary, Alberta, on behalf of the Corporation, and by Vantage Law Corporation, Vancouver, British Columbia on behalf of the Agent.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that on the Closing Date (as hereinafter defined), the Offered Shares will be settled electronically through CDS Clearing and Depository Services Inc. and will be recorded in electronic book entry format.

AGENT:

MACKIE RESEARCH CAPITAL CORPORATION
1075 WEST GEORGIA STREET, SUITE 1920
VANCOUVER, BRITISH COLUMBIA V6E 3C9
TELEPHONE: (604) 662-1800

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GLOSSARY

"Affiliate" means a company that is affiliated with another company as described below:

A company is an "Affiliate" of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A company is "controlled" by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

"Agency Agreement" means the agency agreement between the Corporation and the Agent, dated ●, 2019.

"Agent" means Mackie Research Capital Corporation.

"Agent's Commission" means a cash commission issued by the Corporation to the Agent equal to 9% of the gross proceeds from the sale of the Offered Shares.

"Agent's Option" has the meaning assigned thereto on page 2 of this Prospectus.

"Aggregate Pro Group" means all Persons who are members of any "Pro Group" whether or not the Member is involved in a contractual relationship with the Corporation to provide financing sponsorship and other advisory services, and specifically means:

- (a) Subject to subparagraphs (b), (c) and (d) **"Aggregate Pro Group"** shall include, either individually or as a group:
 - (i) the Member;
 - (ii) employees of the Member;
 - (iii) partners, officers and directors of the Member;
 - (iv) Affiliates of the Member; and
 - (v) Associates of any parties referred to in subparagraphs (i) through (iv);
- (b) The Exchange may, in its discretion, include a Person or party in the **"Aggregate Pro Group"** for the purposes of a particular calculation where the Exchange determines that the Person is not acting at arm's length to the Member;
- (c) The Exchange may, in its discretion, exclude a Person from the **"Aggregate Pro Group"** for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length to the Member;
- (d) The Member may deem a Person who would otherwise be included in the **"Aggregate Pro Group"** pursuant to subparagraph (a) to be excluded from the **"Aggregate Pro Group"** where the Member determines that:

- (i) the Person is an Affiliate or Associate of the Member acting at arm's length of the Member;
- (ii) the Associate or Affiliate has a separate corporate and reporting structure;
- (iii) there are sufficient controls on information flowing between the Member and the Associate or Affiliate; and
- (iv) the Member maintains a list of such excluded Persons.

"Agreement in Principle" means any enforceable agreement or any other agreement or similar commitment which identifies the fundamental terms upon which the parties agree or intend to agree which:

- (a) identifies assets or a business to be acquired which would reasonably appear to constitute Significant Assets and the acquisition of which would reasonably appear to constitute a Qualifying Transaction;
- (b) identifies the parties to the Qualifying Transaction;
- (c) identifies the consideration to be paid for the Significant Assets or otherwise identifies the means by which the consideration will be determined;
- (d) identifies the conditions to any further formal agreements to complete the transaction; and

in respect of which there are no material conditions to closing (other than receipt of shareholder approval and Exchange acceptance), the satisfaction of which is dependent upon third parties and beyond the reasonable control of the Non-Arm's Length Parties to the CPC or the Non-Arm's Length Parties to the Qualifying Transaction.

"Associate" when used to indicate a relationship with a Person, means:

- (a) an Issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding voting securities of the Issuer;
- (b) any partner of the Person or company;
- (c) any trust or estate in which the Person or company has a substantial beneficial interest or in respect of which the Person or company serves as trustee or in a similar capacity;
- (d) in the case of a Person, a relative of that person, including:
 - (i) that Person's spouse or child, or
 - (ii) any relative of that Person or of his spouse who has the same residence as that person;

but

- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be Associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the Exchange's Rule Book with respect to that Member firm, Member corporation or holding company.

"Closing" means the completion of the Offering.

"Closing Date" means the date the Offering is completed.

"Common Shares" means the common shares without par value in the share capital of the Corporation.

"company" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"Completion of the Qualifying Transaction" means the date the Final Exchange Bulletin is issued by the Exchange.

"Control Person" means any Person or company that holds or is one of a combination of Persons or companies that holds a sufficient number of any of the securities of an Issuer so as to affect materially the control of that Issuer, or that holds more than 20% of the outstanding voting securities of an Issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer.

"Corporate Finance Fee" has the meaning assigned thereto on the face page of this Prospectus.

"Corporation" has the meaning assigned thereto on the face page of this Prospectus.

"CPC" means a corporation:

- (a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and
- (b) in regard to which the Final Exchange Bulletin has not yet been issued.

"CPC Policy" has the meaning assigned thereto on the face page of this Prospectus.

"CRA" means Canada Revenue Agency, the Federal agency responsible for income tax and trade regulations.

"Escrow Agent" means TSX Trust Company, a trust company having an office in Calgary, Alberta and the Corporation's registrar and transfer agent.

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

"Final Exchange Bulletin" means the Exchange bulletin issued following closing of the Qualifying Transaction and the submission of all required documentation that evidences the final Exchange acceptance of the Qualifying Transaction.

"Final Receipt" means the receipt issued for this final Prospectus by the Alberta Securities Commission pursuant to National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*.

"Incentive Stock Option Plan" means the Corporation's stock option plan pursuant to which the Corporation may issue options to its directors, officers and technical consultants exercisable for up to 10% of the Corporation's issued and outstanding Common Shares as at the Closing of the Corporation's IPO.

"Initial Listing Requirements" means the minimum financial, distribution and other standards that must be met by applicants seeking a listing on a particular tier of the Exchange.

"Initial Public Offering" or **"IPO"** means a transaction that involves an Issuer issuing securities from its treasury pursuant to its first prospectus.

"Insider" if used in relation to an Issuer, means:

- (a) a director or senior officer of the Issuer;
- (b) a director or senior officer of the company that is an Insider or subsidiary of the Issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Issuer; or
- (d) the Issuer itself if it holds any of its own securities.

"Issuer" means a company and its subsidiaries which have any of its securities listed for trading on the Exchange and, as the context requires, any applicant company seeking a listing of its securities on the Exchange.

"Listing Date" means the date of listing of the Common Shares on the Exchange.

"Majority of the Minority Approval" means the approval of a Non-Arm's Length Qualifying Transaction by the majority of the votes cast by shareholders, other than:

- (a) Non-Arm's Length Parties to the CPC;
- (b) Non-Arm's Length Parties to the Qualifying Transaction; and
- (c) in the case of a Related Party Transaction:
 - (i) if the CPC holds its own shares, the CPC, and
 - (ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction;

at a properly constituted meeting of the common shareholders of the CPC.

"Member" means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange requirements.

"Members' Agreement" means the members' agreement among the Exchange and each Person who, from time to time, is accepted as and becomes a member of the Exchange under the Exchange requirements.

"NI 41-101" means National Instrument 41-101 *General Prospectus Requirements*.

"NEX" means a market on which former Exchange issuers that do not meet Exchange tier maintenance requirements for Tier 2 issuers may continue to trade.

"Non-Arm's Length Party" means in relation to a company, a Promoter, officer, director, other Insider or Control Person of that company (including an Issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any company of which the individual is a Promoter, officer, director, Insider or Control Person.

"Non-Arm's Length Parties to the Qualifying Transaction" means the Vendor(s), any Target Company(ies) and includes, in relation to Significant Assets or Target Company(ies), the Non-Arm's Length Parties of the Vendor(s), the Non-Arm's Length Parties of any Target Company(ies) and all other parties to or associated with the Qualifying Transaction and Associates or Affiliates of all such other parties.

"Non-Arm's Length Qualifying Transaction" means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are the subject of the proposed Qualifying Transaction.

"Offered Shares" has the meaning assigned thereto on the face page of this Prospectus.

"Offering" has the meaning assigned thereto on the face page of this Prospectus.

"Offering Jurisdictions" means the provinces of British Columbia, Alberta and Ontario and such other jurisdictions where the Offered Shares may be sold without requirement for registration or filing of a prospectus.

"Offering Price" means the price at which the Offered Shares are offered hereunder, being \$0.10 per Offered Share.

"Optionee" or **"Optionees"** means the recipient of a stock option under the Incentive Stock Option Plan.

"Person" means a company or individual.

"Preferred Shares" means the preferred shares without par value in the share capital of the Corporation.

"Principal" means:

- (a) a Person or company who acted as a Promoter of the Issuer within two years or their respective Associates or Affiliates, before the IPO prospectus or Final Exchange Bulletin;

- (b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin;
- (c) a 20% holder – a Person or company that holds securities carrying more than 20% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions;
- (d) a 10% holder – a Person or company that:
 - (i) holds securities carrying more than 10% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and
 - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

The foregoing percentages include securities that may be issued to the holder under outstanding convertible securities in both the holder's securities and the total securities outstanding.

A company, trust, partnership or other entity more than 50% held by one or more Principals will be treated as a Principal. (In calculating this percentage, include securities of the entity that may be issued to the Principal under outstanding convertible securities in both the Principals' securities of the entity and the total securities of the entity outstanding.) Any securities of the Issuer that this entity holds will be subject to escrow requirements.

A Principal's spouse and their relatives that live at the same address as the Principal will also be treated as Principals and any securities of the Issuer they hold will be subject to escrow requirements.

"Pro Group" has the meaning specified in Exchange Policy 1.1 – Interpretation.

"Promoter" has the meaning specified in section 1(1) of the *Securities Act* (Alberta).

"Qualifying Transaction" means a transaction where a CPC acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means.

"Related Party Transaction" has the meaning ascribed to that term under Exchange Policy 5.9, and includes a related party transaction that is determined by the Exchange, to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non-Arm's Length Parties, or other circumstances exist which may compromise the independence of the Issuer with respect to the transaction.

"Resulting Issuer" means the Issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin.

"SEDAR" means System for Electronic Document Analysis and Retrieval.

"Seed Share Escrow Agreement" means the escrow agreement dated May 22, 2019 among the Corporation, the Escrow Agent and certain shareholders of the Corporation.

"Seed Shares" means the 3,300,000 Common Shares issued by the Corporation prior to the Closing, at a price of \$0.05 per Common Share for gross proceeds of \$165,000.00.

"Significant Assets" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the Initial Listing Requirements.

"Sponsor" has the meaning specified in Exchange Policy 2.2 – Sponsorship and Sponsorship Requirements.

"Stock Options" has the meaning assigned thereto on page 2 of this Prospectus.

"Target Company" means a company to be acquired by the CPC as its Significant Asset pursuant to a Qualifying Transaction.

"Vendors" means one or all of the beneficial owners, of the Significant Assets (other than a Target Company).

PROSPECTUS SUMMARY

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

Business of the Corporation: The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash. An acquisition financed by the issuance of treasury shares could result in a change of control of the Corporation and may cause the shareholders' interest in the Corporation to be reduced. See "*Business of the Corporation*" and "*Risk Factors*".

Offering: The Offering consists of an aggregate of 3,000,000 Offered Shares for gross proceeds of \$300,000 being offered under this Prospectus at a price of \$0.10 per Offered Share in the provinces of British Columbia, Alberta and Ontario. In addition, the Corporation will issue to the Agent and any sub-agents as the Agent may direct, the Agent's Option to purchase that number of Common Shares equal to 9% of the aggregate number of Offered Shares sold pursuant to this Offering, being 270,000 Common Shares, which may be exercised for a period of 24 months from the Listing Date. The Agent's Option is qualified for distribution under this Prospectus. See "*Plan of Distribution*".

Use of Proceeds: The net proceeds to the Corporation, including total cash proceeds raised prior to this Offering and the gross proceeds of this Offering, net of all Offering expenses and Agent's Commission, will be approximately \$380,000. The net proceeds will provide the Corporation with a minimum of funds with which to identify and evaluate assets or businesses, for acquisition with a view to completing a Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of \$210,000 or 30% of the gross proceeds realized may be used for purposes other than evaluating businesses or assets. See "*Use of Proceeds*".

Directors and Officers: The directors and officers of the Corporation and the positions held by each of them are as follows:

Sean Mager	President, Chief Executive Officer, Corporate Secretary, Director and Promoter
John Williamson	Chairman and Director
Justin Bourassa	Chief Financial Officer and Director
Jeremy Yaseniuk	Director
Mike Dufresne	Director
Jim Greig	Director

See "*Directors, Officers and Promoter*" and "*Promoters*".

Escrow: All of the 3,300,000 Seed Shares issued by the Corporation prior to the Closing will be deposited in escrow pursuant to the terms of the Seed Share Escrow Agreement, and will be released in stages over a period of up to three years after the date of the Final Exchange Bulletin. See "*Escrowed Securities*".

Dividend Policy: It is not contemplated that any dividends will be paid on the Common Shares in the immediate or foreseeable future. See "*Description of Share Capital - Dividend Record and Policy*".

Risk Factors:

Investment in the Offered Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. The Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment. The directors and officers of the Corporation will devote only part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will suffer an immediate dilution (based on the gross proceeds from this and prior issuances without deduction of selling and related expenses) per Offered Share of approximately 26.2% or \$0.026. There can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell the Offered Shares. Until Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction.

The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See "*Business of the Corporation*", "*Directors, Officers and Promoter*", "*Capitalization*", "*Dilution*", "*Risk Factors*" and "*Directors, Officers and Promoter - Conflicts of Interest*".

THE CORPORATION

The Corporation was incorporated on July 18, 2018 pursuant to the provisions of the *Business Corporations Act* (Alberta) under the name "Duro Metals Inc.". The articles were amended on July 8, 2019 to remove the restrictions against share transfers and other restrictions applicable to private issuers.

The registered office of the Corporation is located at 1150, 707 – 7th Avenue SW, Calgary, Alberta T2P 3H6 and the head office of the Corporation is located at 10545 – 45 Avenue NW, 250 Southridge, Suite 300, Edmonton, Alberta T6H 4M9.

BUSINESS OF THE CORPORATION

Preliminary Expenses

To date, the Corporation has raised \$165,000 through the sale of 3,300,000 Common Shares. (See "*Prior Sales*" and "*Capitalization*"). As at the date hereof, the Corporation has paid \$10,000 (plus G.S.T.) to the Agent representing the non-refundable portion of the Corporate Finance Fee and a \$10,000 retainer to be applied towards the expenses of the Agent. In addition, the Corporation has paid \$2,625 (including G.S.T.) to the Exchange, as part of the Corporation's initial review fee. Part of the net proceeds of the Offering will be utilized to satisfy the obligations of the Corporation related to this Offering, including the fees and commissions of the Agent, the expenses of its auditors, legal counsel and the Agent's legal counsel and the filing fees of the Exchange and applicable securities regulatory authorities. See "*Use of Proceeds*".

Proposed Operations until Completion of a Qualifying Transaction

The Corporation proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Corporation has not conducted commercial operations.

The Corporation has not commenced the process of identifying potential acquisitions with a view to completing the Qualifying Transaction nor has the Corporation entered into an Agreement in Principle. The Corporation intends to pursue a Qualifying Transaction in the mining industry, but there is no assurance that this will in fact be the business sector of a proposed Qualifying Transaction or of the Corporation following the Completion of the Qualifying Transaction.

Until Completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described under "*Use of Proceeds - Private Placement for Cash*" and "*Use of Proceeds - Restrictions on Use of Proceeds*", the funds raised pursuant to this Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

Method of Financing

The Corporation may use cash, bank financing, the issuance of treasury shares, public debt or equity financing or a combination of these for the purpose of financing its proposed Qualifying Transaction. **A Qualifying Transaction financed by the issue of treasury shares could result in a change in the control of the Corporation and may cause the shareholders' interest in the Corporation to be further diluted.**

Criteria for a Qualifying Transaction

The board of directors of the Corporation proposes to identify acquisitions of interests in assets or businesses through discussions with various business associates and contacts of the Corporation's officers and directors. Once a prospective acquisition target has been identified and evaluated, the Corporation will proceed to negotiate the terms upon which it may acquire an interest in the asset or business. The board of directors must approve any proposed Qualifying Transaction. In exercising their powers and discharging their duties in relation to a proposed Qualifying Transaction, the directors will act honestly and in good faith having regard to the best interests of the Corporation and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Filings and Shareholder Approval of a Non-Arm's Length Qualifying Transaction

Upon the Corporation reaching an Agreement in Principle, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Corporation's Common Shares until the filing requirements of the Exchange have been satisfied as set forth under "*Business of the Corporation - Trading Halts, Suspensions and Delisting*". Within 75 days after issuance of such news release, the Corporation is required to submit for review to the Exchange either an information circular that complies with applicable corporate and securities laws or a filing statement that complies with Exchange requirements. An information circular must be submitted where there is a Non-Arm's Length Qualifying Transaction. A filing statement must be submitted where the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction. The information circular or filing statement, as applicable, must contain prospectus level disclosure of the Target Company and the Corporation, assuming Completion of the Qualifying Transaction, and be prepared in accordance with the CPC Policy and Form 3B1 or Form 3B2, as the case may be, of the Exchange. Upon acceptance by the Exchange, the Corporation must then either:

- (a) file the filing statement on SEDAR at least seven business days prior to closing of the Qualifying Transaction, and issue a news release which discloses the scheduled closing date for the Qualifying Transaction as well as the fact that the filing statement is available on SEDAR, or
- (b) mail the information circular and related proxy material to its shareholders and file same on SEDAR in order to obtain the Majority of the Minority Approval of the Qualifying Transaction or other requisite approval, at a meeting of shareholders.

Unless waived by the Exchange, the Corporation will also be required to retain a Sponsor, who must be a Member of the Exchange, and who will be required to submit to the Exchange a sponsor report prepared in accordance with the policies of the Exchange. The Corporation will no longer be considered to be a CPC upon the Exchange having issued the Final Exchange Bulletin. The Exchange will generally not issue the Final Exchange Bulletin until the Exchange has received:

- (i) in the case of a Non-Arm's Length Qualifying Transaction, confirmation of Majority of Minority Approval of the Qualifying Transaction;
- (ii) confirmation of closing of the Qualifying Transaction; and
- (iii) all post-meeting or final documentation, as applicable, otherwise required to be filed with the Exchange pursuant to the CPC Policy.

Upon issuance of the Final Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy and the restrictions in the CPC Policy precluding the Corporation from completing a reverse takeover for a period of one year from the Completion of the Qualifying Transaction.

Initial Listing Requirements

The Resulting Issuer must satisfy the Exchange's Initial Listing Requirements for the particular industry sector in either Tier 1 or Tier 2 as prescribed under the applicable policies of the Exchange.

Trading Halts, Suspensions and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of an Agreement in Principle until all filing requirements of the Exchange have been satisfied, which includes the submission of a sponsorship acknowledgment form, where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms, or, if applicable, declarations, for all individuals who may be directors, senior officers, Promoters, or Insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable, must also be completed, before the trading halt will be lifted by the Exchange.

Even if all filing requirements have been satisfied and preliminary background checks completed, the Exchange may continue or reinstate a halt in trading of the Common Shares for public policy reasons including:

- (a) the unacceptable nature of the business of the Resulting Issuer, or
- (b) the number of conditions precedent to, or the nature and number of deficiencies required to be resolved prior to, completion of the Qualifying Transaction, are so significant or numerous as to make it appear to the Exchange that the halt should be reinstated or continued.

A trading halt may also be imposed by the Exchange where the Corporation fails to file the supporting documents relating to the Qualifying Transaction within a period of 75 days after public announcement of the Agreement in Principle or if the Corporation fails to file post-meeting or final documents, as applicable, within the time required. A trading halt may also be imposed if a Sponsor terminates its sponsorship.

The Exchange may suspend from trading or delist the Common Shares of the Corporation where the Exchange has not issued a Final Exchange Bulletin to the Corporation within 24 months of the date of listing. In the event that the Common Shares of the Corporation are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation shall wind up and shall make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non-Arm's Length Parties to the Corporation, determine to deal with the remaining assets in some other manner. See "*Business of the Corporation - Filings and Shareholder Approval of a Non-Arm's Length Qualifying Transaction*".

If the Corporation does not complete a Qualifying Transaction within 24 months of the date of listing, it may apply for listing on NEX rather than be delisted. In order to be eligible to list on the NEX, the Corporation must:

- (a) either: (i) cancel all escrowed Common Shares purchased by Non-Arm's Length Parties to the Corporation at a discount to the Offering price, in accordance with section 11.2(a) of the CPC Policy, as if the Corporation had delisted from the Exchange or (ii) subject to majority shareholder approval, cancel the escrowed Common Shares purchased by Non-Arm's Length Parties to the Corporation so that the average cost of the remaining Seed Shares is at least equal to the Offering Price; and
- (b) obtain majority shareholder approval for the transfer to NEX, exclusive of the votes of Non-Arm's Length Parties of the Corporation.

If the Corporation lists the Common Shares on NEX, it must continue to comply with all requirements and restrictions of the CPC Policy.

Refusal of Qualifying Transaction

The Exchange, in its sole discretion, may not accept a Qualifying Transaction where:

- (a) the Resulting Issuer fails to satisfy the applicable Initial Listing Requirements of the Exchange;
- (b) the aggregate number of securities of the Resulting Issuer owned, directly or indirectly, by:
 - (i) a member firm of the Exchange;
 - (ii) registrants, unregistered corporate finance professionals, employee shareholders and partners of such member firm; and
 - (iii) associates of any such person,collectively, would exceed 20% of the issued and outstanding securities of the Resulting Issuer;
- (c) the Resulting Issuer will be a financial institution, finance company, finance issuer or mutual fund, as defined in the securities legislation;
- (d) the majority of the directors and senior officers of the Resulting Issuer are not residents of Canada or the United States or are individuals who have not demonstrated positive association as directors or officers with public companies that are subject to a regulatory regime comparable to the companies listed on a Canadian exchange; or
- (e) notwithstanding the definition of a Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

USE OF PROCEEDS

Proceeds and Principal Purposes

The gross proceeds to be received by the Corporation from the sale of the Offered Shares offered by this Prospectus will be \$300,000. The gross proceeds received by the Corporation from the sale of Common Shares prior to the date of this Prospectus were \$165,000. The expenses and costs associated with the aforementioned sale of Common Shares was \$3,000. The expenses and costs associated with the Offering, including the Agent's Commission, are estimated to be in the order of approximately \$82,000, of which \$20,500 has been paid to the Agent to date. In addition, the Corporation has paid \$2,625 (including G.S.T.) to the Exchange, as part of the Corporation's initial review fee. All such costs and expenses will be paid from the working capital of the Corporation, which will include the proceeds of the Offering. The total estimated funds to the Corporation, including total cash proceeds raised prior to this Offering and total proceeds of this Offering, net of all Offering expenses and Agent's Commission, will be approximately \$380,000.

The following indicates the principal uses to which the Corporation proposes to use the total funds available to the Corporation upon the completion of this Offering:

Item	Maximum Offering
Gross cash proceeds raised prior to the Offering (Seed Shares) ⁽¹⁾	\$165,000
Gross cash proceeds to be raised pursuant to the Offering	\$300,000
Expenses and costs relating to raising Seed Share proceeds	\$3,000 ⁽²⁾
Estimated expenses and costs relating to the Offering ⁽³⁾	\$82,000
Estimated funds available on completion of the Offering⁽⁴⁾	\$380,000
Funds available for identifying and evaluating assets or business prospects ⁽⁴⁾⁽⁵⁾	\$332,000
Estimated general and administrative expenses until completion of a Qualifying Transaction	\$48,000
TOTAL NET PROCEEDS	\$380,000

Notes:

- (1) See "Prior Sales".
- (2) \$3,000 in share issuance costs have been allocated towards the issuance of these Common Shares. See the Corporation's most recent balance sheet as at April 30, 2019.
- (3) Includes listing fees, the Agent's Commission, the Corporate Finance Fee and expenses, including legal fees, the Corporation's legal fees, audit fees and other expenses.
- (4) In the event the Agent exercises the Agent's Option, there will be available to the Corporation an additional \$27,000 which will be added to the working capital of the Corporation. There is no assurance that any of these options will be exercised.
- (5) In the event that the Corporation enters into an Agreement in Principle prior to spending the entire \$332,000 on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction.

Until required for the Corporation's purposes, the proceeds will be invested only in securities of, or those guaranteed by, the Government of Canada or any Province or Territory of Canada or the Government of the United States of America, in certificates of deposit or interest bearing accounts of Canadian chartered banks, trust companies or credit unions.

The proceeds from this Offering and any prior sale of Common Shares, after deducting the expenses associated with this Offering, will only be sufficient to identify and evaluate a finite number of assets and businesses, and additional funds may be required to finance any acquisition to which the Corporation may commit. See "*Business of the Corporation*" and "*Risk Factors*".

Permitted Use of Funds

Until the Completion of the Qualifying Transaction and except as otherwise specifically provided by the CPC Policy and described in "*Use of Proceeds - Restrictions on Use of Proceeds*", "*Use of Proceeds - Private Placements for Cash*", and "*Use of Proceeds - Prohibited Payments to Non-Arm's Length Parties*", the gross proceeds realized from the sale of all securities issued by the Corporation will be used by the Corporation only to identify and evaluate businesses or assets and obtain shareholder approval for a proposed Qualifying Transaction.

The proceeds may be used for expenses incurred for the preparation of:

- (i) valuations or appraisals;
- (ii) business plans;
- (iii) feasibility studies and technical assessments;
- (iv) sponsorship reports;
- (v) engineering or geological reports;
- (vi) financial statements, including audited financial statements;
- (vii) fees for legal and accounting services; and
- (viii) agent's fees, costs and commissions,

relating to the identification and evaluation of assets or businesses and, in the case of a Non-Arm's Length Qualifying Transaction, the obtaining of shareholder approval for the Corporation's proposed Qualifying Transaction.

In addition, with the prior acceptance of the Exchange, up to an aggregate of \$225,000 may be advanced as a refundable deposit or secured loan by the Corporation to a Vendor or Target Company, as the case may be, for a proposed arm's length Qualifying Transaction that has been publicly announced at least 15 days prior to the date of such advance, due diligence with respect to the Qualifying Transaction is well underway and either a Sponsor has been engaged or sponsorship has been waived by the Exchange. A maximum aggregate amount of \$25,000 may also be advanced as a non-refundable deposit, unsecured deposit or advance to a Vendor or Target Company, as the case may be, to preserve assets without the prior acceptance of the Exchange.

Restrictions on Use of Proceeds

Until Completion of a Qualifying Transaction, not more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation or \$210,000, will be used for purposes other than those described above. For greater certainty, expenditures which are not included in "*Use of Proceeds - Permitted Uses of Funds*", listed above, include:

- (a) listing and filing fees (including SEDAR fees);
- (b) other costs for the issuance of securities, (including legal, accounting and audit expenses) relating to the preparation and filing of this Prospectus; and
- (c) administrative and general expenses of the Corporation, including:
 - (i) office supplies, office rent and related utilities;
 - (ii) printing costs (including the printing of this Prospectus and share certificates);
 - (iii) equipment leases; and
 - (iv) fees for legal advice and audit expenses, other than those described above under "*Use of Proceeds - Permitted Use of Funds*".

No proceeds will be used to acquire or lease a vehicle.

Private Placements for Cash

After the Closing and until the Completion of the Qualifying Transaction, the Corporation will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the completion of a Qualifying Transaction, the Exchange generally will not accept a private placement by the Corporation where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed \$2,000,000. The only securities issuable pursuant to such a private placement will be Common Shares. Subject to certain limited exceptions, any Common Shares issued pursuant to the private placement to Non-Arm's Length Parties to the Corporation and to Principals of the Resulting Issuer will be subject to escrow.

Prohibited Payments to Non-Arm's Length Parties

Except as described under "*Options to Purchase Securities*" and "*Use of Proceeds - Restrictions on Use of Proceeds*", the Corporation has not made, and until the Completion of the Qualifying Transaction will not make, any payment of any kind, directly or indirectly, to a Non-Arm's Length Party to the Corporation or a Non-Arm's Length Party to the Qualifying Transaction, or to a person engaged in investor relations activities, by any means, including:

- (a) remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors' fees, finders' fees, loans, advances and bonuses; and
- (b) deposits and similar payments.

Further, no such payment will be made on or after the Completion of a Qualifying Transaction if such payment relates to services rendered or obligations incurred prior to or in connection with the Qualifying Transaction.

Notwithstanding the above, the Corporation may reimburse a Non-Arm's Length Party to the Corporation for reasonable expenses for office supplies, office rent and related utilities, equipment leases (excluding vehicle leases), and legal services (provided that neither the lawyer providing the legal services nor any member of the law firm providing the services is a Promoter of the Corporation or in the case of a law firm, no member of the firm, owns greater than 10% of the outstanding Common Shares of the Corporation), and the Corporation may also reimburse a Non-Arm's Length Party to the Corporation for reasonable out-of-pocket expenses incurred in pursuing the business of the Corporation described in "*Use of Proceeds - Permitted Use of Funds*".

The foregoing restrictions on the use of proceeds and prohibitions on payments to Non-Arm's Length Parties and persons engaged in investor relations activities continue to apply until the Completion of the Qualifying Transaction.

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

Pursuant to the Agency Agreement, the Corporation has appointed the Agent as its agent to offer for sale on a commercially reasonable efforts basis to the public, 3,000,000 Offered Shares at a price of \$0.10 per Offered Share for aggregate gross proceeds of \$300,000, subject to the terms and conditions in the Agency Agreement. The Agent will offer the Offered Shares only in the Offering Jurisdictions. The Agent will receive the Agent's Commission and the Corporation will pay the Agent the Corporate Finance Fee equal to \$10,000 (plus G.S.T.), all of which has been paid and is non-refundable. The Corporation will pay the Agent's expenses, legal and search fees, plus disbursements and taxes, of which a retainer of \$10,000 has been paid to date.

The Corporation has also agreed to grant to the Agent a non-transferable Agent's Option which entitles the Agent to purchase up to 9% of the Offered Shares sold under the Offering at a price of \$0.10 per Common Share and which may be exercised for a period of 24 months from the Listing Date, being an aggregate of 270,000 Agent's Options.

Not more than 50% of the aggregate number of Common Shares which can be acquired by the Agent on the exercise of the Agent's Option may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction.

The issuance of the Agent's Option shall be qualified by this Prospectus to the maximum extent permitted by NI 41-101.

The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Offered Shares offered hereunder on behalf of the Corporation and may make co-brokerage arrangements with other investment dealers at no additional cost to the Corporation. The obligations of the Agent under the Agency Agreement may be terminated at its sole discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

The Corporation has granted the Agent the right of first refusal for a period of 24 months from the Closing Date to act as agent on future financings (public or private) and to act as exclusive financial advisor for general corporate advisory matters or for any material corporate transaction, such as an amalgamation, merger, takeover bid, joint venture, plan of arrangement or reorganization, or any other such transaction, subject to agreeing on mutually acceptable fee arrangements. The Corporation also agrees to grant to the Agent the right of first refusal to act as sponsor for its Qualifying Transaction for a period of 24 months from the date of Closing.

Commercially Reasonable Efforts Offering and Minimum Distribution

The total Offering is for 3,000,000 Offered Shares, at a price of \$0.10 per Offered Share for total gross proceeds of \$300,000. Under the CPC Policy, no purchaser of Offered Shares is permitted to directly or indirectly purchase more than 2% of the total Offered Shares in the Offering being 60,000 Offered Shares (\$6,000). In addition, the maximum number of Offered Shares that may directly or indirectly be purchased by that purchaser, together with any Associates or Affiliates of that purchaser, is 4% of the total number of Offered Shares in the Offering being 120,000 Offered Shares (\$12,000). The funds received from the Offering will be held by the Agent, and will not be released until proceeds of \$300,000 have been deposited. The total subscription must be completed within 90 days of the date of the Final Receipt, or such other time as may be consented to by the Agent or persons or companies who subscribed within that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Determination of Price

The Offering price of the Offered Shares hereunder was determined by negotiation between the Corporation and the Agent and after giving consideration to the CPC Policy.

Listing Application

The Corporation has applied to list its Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

Subscriptions by and Restrictions on the Agent

All subscriptions by any member of the Aggregate Pro Group are subject to the applicable client priority rules and the general rule of the CPC Policy that no purchaser can: (i) directly or indirectly purchase more than 2% of the total Offered Shares offered under this Offering; and (ii) together with any Associates or Affiliates purchase more than 4% of the total Offered Shares offered under this Offering. Any Common Shares issued to any member of the Aggregate Pro Group prior to the date of this Prospectus will be held in escrow pursuant to the CPC Policy.

Until Completion of the Qualifying Transaction, the aggregate number of Common Shares permitted to be owned directly or indirectly by the members of the Pro Group is 20% of the issued and outstanding Common Shares of the Corporation exclusive of Common Shares reserved for issuance at a future date. The Exchange will require that any securities issued to the Pro Group in connection with or in contemplation of the Qualifying Transaction will be required to be subject to a four month Exchange hold period and the securities certificates legended accordingly, as prescribed by Exchange Policy 3.2 "Filing Requirements and Continuous Disclosure".

The Agent has advised the Corporation that to the best of its knowledge and belief, none of the directors, officers, employees or contractors of the Agent or any Associate or Affiliate of the foregoing have subscribed for Offered Shares of the Corporation prior to this Offering and any subscriptions for Offered Shares of the Corporation by such persons under this Offering will be in accordance with the CPC Policy and related policies of the Exchange.

Restrictions on Trading

Other than the initial distribution of the Offered Shares pursuant to this Prospectus, the grant of the Agent's Option and the grant of the Stock Options to the directors and officers of the Corporation, no securities of the Corporation will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

Other Securities to be Distributed

At this time, the Corporation does not intend to grant Stock Options to purchase Common Shares upon Closing the Offering.

DESCRIPTION OF SHARE CAPITAL

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 3,300,000 are issued and outstanding as fully paid and non-assessable Common Shares in the capital of the Corporation. See "*Plan of Distribution*".

In addition, 270,000 Common Shares will be issued pursuant to the Agent's Option. All Common Shares to be outstanding after completion of the Offering will be fully paid and non-assessable Common Shares in the capital of the Corporation. See "*Plan of Distribution*" and "*Options to Purchase Securities*".

The holders of Common Shares are entitled to vote at all meetings of shareholders of the Corporation, to receive dividends if, as and when declared by the directors and to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

As at the date of this Prospectus, the Corporation has no outstanding loans or other debt obligations and there has been no material change in the Common Share and loan capital of the Corporation since the date of its most recent balance sheet contained in the Prospectus. See "*Prior Sales*" and "*Options to Purchase Securities*".

Preferred Shares

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value of which, as at the date hereof, there are currently none issued and outstanding.

The Preferred Shares may be issued from time to time in one or more series, each series consisting of the number of shares and having the designation, rights, privileges, restrictions and conditions which the board of directors of the Corporation determines prior to the issue thereof. The Preferred Shares rank prior to the Common Shares with respect to the payment of dividends and distribution in the event of liquidation, dissolution or winding-up of the Corporation.

Dividend Record and Policy

The Corporation has not paid any dividends on its outstanding Common Shares of the Corporation since the date of its incorporation. The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund further growth, financial condition of the Corporation and other factors which the board of directors of the Corporation may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future. All of the Common Shares of the Corporation are entitled to an equal share in any dividends declared and paid.

CAPITALIZATION

The following table sets forth information respecting the capitalization of the Corporation as at the date of the balance sheet contained herein and as at the date hereof, both before and after giving effect to the Offering.

Designation of Security	Amount Authorized	Amount outstanding as of the date of the most recent balance sheet contained in the Prospectus ⁽¹⁾	Amount outstanding as of the date hereof ⁽¹⁾	Amount outstanding after giving effect to the Offering ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾
Common Shares	Unlimited	\$165,000 (3,300,000 Common Shares)	\$165,000 (3,300,00 Common Shares)	\$465,000 (6,300,000 Common Shares)
Preferred Shares	Unlimited	Nil	Nil	Nil

Notes:

- (1) As at the date of the most recent balance sheet contained herein and as at the date hereof, the Corporation had not commenced commercial operations.
- (2) Assuming completion of the Offering, up to 630,000 Common Shares will be reserved for issuance pursuant to the Stock Options to be granted to directors and officers of the Corporation in the future at exercise prices to be determined. In addition, pursuant to the Agency Agreement, the Corporation has agreed to grant to the Agent, the Agent's Option on completion of the Offering to purchase an aggregate of 270,000 Common Shares, at a price of \$0.10 per Common Share, for a period of 24 months from the Listing Date. See "*Plan of Distribution*" and "*Options to Purchase Securities*".
- (3) See "*Use of Proceeds*".
- (4) Represents gross proceeds of this Offering and prior issues of the Corporation, before deducting the expenses of the Offering and the Agent's Commission equal to 9% of the gross proceeds from the sale of the Offered Shares, which are estimated to be in the order of approximately \$85,000.
- (5) As at the date thereof, the deficit of the Corporation was nil. The Corporation has no long-term debt.

OPTIONS TO PURCHASE SECURITIES

Agent's Option

Pursuant to the Agency Agreement, the Corporation has agreed to grant to the Agent the Agent's Option on completion of the Offering to purchase an aggregate of 270,000 Common Shares of the Corporation, at a price of \$0.10 per share, for a period of 24 months from the Listing Date. See "*Plan of Distribution*".

Stock Options

The Corporation has adopted the Incentive Stock Option Plan but does not intend to enter into stock option agreements granting the Stock Options on Closing. Any future stock options will be granted subsequent to Closing and in accordance with the Policies of the TSXV.

The Incentive Stock Option Plan provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with Exchange requirements, grant to directors, officers and technical consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the Corporation's issued and outstanding Common Shares upon completion of the Corporation's IPO, exercisable for a period of up to a maximum of ten years from the date of grant; accordingly, the number of Common Shares reserved for issuance shall not exceed a maximum of 630,000 Common Shares. The number of Common Shares reserved for issuance to any individual director or officer in any 12 month period will not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to any technical consultant in any 12 month period will not exceed 2% of the issued and outstanding Common Shares. Options may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following cessation of the Optionee's position with the Corporation, provided that if the cessation of office, directorship or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction (including the options in the above table) will be subject to escrow restrictions until the issuance of the Final Exchange Bulletin. See "*Escrowed Securities*".

PRIOR SALES

Since the date of incorporation of the Corporation, 3,300,000 Common Shares have been issued as follows:

Date	Number of Common Shares ⁽¹⁾	Issue Price Per Share	Aggregate Issue Price	Consideration Received
July 18, 2018	650,000	\$0.05	\$32,500.00	Cash
October 15, 2018	2,650,000	\$0.05	\$132,500	Cash
TOTAL	3,300,000		\$165,000.00	

Note:

(1) These Common Shares will be held in escrow in accordance with the CPC Policy. See "Escrowed Securities".

All of the 3,300,000 Seed Shares issued and outstanding are subject to escrow. See "*Escrowed Securities*".

ESCROWED SECURITIES

All of the 3,300,000 Seed Shares issued prior to this Offering, at a price below \$0.10 per Seed Share, all Common Shares that may be acquired from treasury of the Corporation by Non-Arm's Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering will be deposited with the Escrow Agent under the Seed Share Escrow Agreement.

All Common Shares acquired on exercise of the Stock Options prior to the Completion of a Qualifying Transaction must also be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

In addition, all Common Shares of the Corporation acquired in the secondary market prior to the Completion of a Qualifying Transaction by a Control Person or any person or company that becomes a Control Person are required to be deposited in escrow. Subject to certain exemptions permitted by the Exchange, all securities of the Corporation held by Principals of the Resulting Issuer will also be escrowed. Notwithstanding the foregoing, Common Shares acquired by Principals of the Corporation or Principals of the Resulting Issuer pursuant to a private placement will not be subject to escrow provided that various conditions, as set forth in the CPC Policy, are met. See "*Escrowed Securities on Private Placement*".

The following table sets out, as at the date hereof, the number of Common Shares which are held in escrow pursuant to the Seed Share Escrow Agreement.

Name and Municipality of Residence of Shareholder	Number of Common Shares Escrowed	Percentage of Common Shares of the Corporation Prior to Giving Effect to the Offering	Percentage of Common Shares of the Corporation After Giving Effect to the Offering ⁽¹⁾
Sean Mager Edmonton, Alberta	650,000	19.70%	10.32%
John Williamson Edmonton, Alberta	650,000	19.70%	10.32%
Justin Bourassa Edmonton, Alberta	200,000	6.06%	3.17%
Jeremy Yaseniuk Vancouver, British Columbia	200,000	6.06%	3.17%
677081 Alberta Ltd. Edmonton, Alberta	200,000	6.06%	3.17%
Jim Greig Vancouver, British Columbia	100,000	3.03%	1.59%
James Keiller Edmonton, Alberta	400,000	12.12%	6.35%
Andrea Fehsenfeld Vancouver, British Columbia	200,000	6.06%	3.17%
Robert L'Heureux Edmonton, Alberta	200,000	6.06%	3.17%
Mahrookh Driver Vancouver, British Columbia	200,000	6.06%	3.17%
Toby Pierce Vancouver, British Columbia	100,000	3.03%	1.59%
Andres Encina Santiago, Chile	100,000	3.03%	1.59%
Salvatore Peralta Bressanone (BZ), Italy	100,000	3.03%	1.59%
TOTAL	3,300,000	100.00%	52.38%

Notes:

- (1) Assuming no Offered Shares are purchased by these Persons under the Offering and assuming no exercise of the Agent's Option or Stock Options are issued.

Where the Common Shares of the Corporation which are required to be held in escrow are held by a non-individual (a "**Holding Company**"), each Holding Company pursuant to the Escrow Agreement, has agreed, or will agree, not to carry out any transactions during the term of the Escrow Agreement which would result in a change of control of the Holding Company, without the consent of the Exchange. Any Holding Company must sign an undertaking to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities that could reasonably result in a change of control of the Holding Company. In addition, the Exchange may require an undertaking from any control person of the Holding Company not to transfer the shares of that Holding Company.

Under the Seed Share Escrow Agreement, 10% of the escrowed Seed Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**") and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

If, upon the Completion of a Qualifying Transaction, the Corporation or the Resulting Issuer meets the Exchange's Tier 1 Minimum Listing Requirements either at the time the Final Exchange Bulletin is issued or subsequently, the release of the escrowed Seed Shares will be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made application to the Exchange for listing as a Tier 1 Issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

The Exchange's prior consent must be obtained before a transfer within escrow of escrowed Seed Shares. Generally, the Exchange will only permit a transfer within escrow to be made to incoming Principals in connection with a proposed Qualifying Transaction.

If a Final Exchange Bulletin is not issued, the escrowed Seed Shares will not be released. Under the Seed Share Escrow Agreement, each Non-Arm's Length Party to the Corporation who holds escrowed Seed Shares acquired at a price below the offering price under this Prospectus has irrevocably authorized and directed the Escrow Agent to immediately:

- (a) cancel all of those escrowed Seed Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares; or
- (b) if the Corporation lists on NEX, either:
 - (i) cancel all Seed Shares purchased by Non-Arm's Length Parties to the CPC at a discount from the IPO price, in accordance with section 11.2(a) of the CPC Policy, or
 - (ii) subject to majority shareholder approval, cancel the number of Seed Shares purchased by Non-Arm's Length Parties to the CPC so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

Escrowed Securities on Qualifying Transaction

Generally, if at least 75% of the securities issued pursuant to the Qualifying Transaction are "Value Securities", then all the securities issued to Principals of the Resulting Issuer pursuant to the Qualifying Transaction will be deposited into escrow pursuant to a value security escrow agreement (the "**Value Security Escrow Agreement**"). "Value Securities" are securities issued pursuant to a transaction for which the deemed value of the securities at least equals the value ascribed to the asset, using a valuation method acceptable to the Exchange, or securities that are otherwise determined by the Exchange to be Value Securities and required to be placed in escrow under a Value Security Escrow Agreement. However, if fewer than 75% of the securities issued pursuant to the Qualifying Transaction are Value Securities, all securities issued pursuant to the Qualifying Transaction will be deposited into a surplus security escrow agreement (a "**Surplus Security Escrow Agreement**").

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow. In the case of a Resulting Issuer that will be a Tier 2 Issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for a three year escrow release mechanism with 10% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, and 15% of the escrowed securities being releasable every 6 months thereafter, on each of the 6, 12, 18, 24, 30 and 36 month anniversaries of the Final Exchange Bulletin. In the case of a Resulting Issuer that will be a Tier 2 Issuer, when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for a 3-year escrow release mechanism with 5% of the escrowed securities releasable at the time of the Final Exchange Bulletin, 5% on the date which is 6 months after the Final Exchange Bulletin, 10% on each of the dates which are 12 and 18 months after the Final Exchange Bulletin, 15% on each of the dates which are 24 and 30 months after the Final Exchange Bulletin and 40% on the date which is 36 months after the Final Exchange Bulletin.

In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for an 18 month escrow release mechanism with 25% of the escrowed securities being releasable at the time of the Final Exchange Bulletin and 25% of the escrowed securities being releasable every 6 months thereafter. In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for an 18 month escrow release mechanism with 10% of the escrowed securities being releasable upon the issuance of the Final Exchange Bulletin, 20% on the date which is 6 months after the Final Exchange Bulletin, 30% on the date which is 12 months after the Final Exchange Bulletin and 40% on the date which is 18 months after the Final Exchange Bulletin.

Escrowed Securities on Private Placement

Securities issued pursuant to a private placement to Principals of the Corporation and the proposed Resulting Issuer will generally be exempt from escrow requirements where:

- (a) the private placement is announced at least five trading days after the news release announcing the Agreement in Principle and the pricing for the financing is at not less than the discounted market price, as determined in accordance with the policies of the Exchange; or

- (b) the private placement is announced concurrently with the Agreement in Principle and:
- (i) at least 75% of the proceeds from the private placement are not from Principals of the Corporation or the proposed Resulting Issuer,
 - (ii) if subscribers, other than Principals of the Corporation or the proposed Resulting Issuer, will obtain securities subject to hold periods, then in addition to any resale restrictions under applicable securities legislation, any securities issued to such Principals will be subject to a four month hold period; and
 - (iii) none of the proceeds of the private placement are allocated to pay compensation or to settle indebtedness owing to Principals of the Resulting Issuer.

PRINCIPAL SHAREHOLDERS

The following table lists those persons who own 10% or more of the issued and outstanding Common Shares as at the date hereof:

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned Prior to Giving Effect to the Offering	Percentage of Common Shares Owned After Giving Effect to the Offering
Sean Mager Edmonton, Alberta	Direct	650,000	19.70%	10.32%
John Williamson Edmonton, Alberta	Direct	650,000	19.70%	10.32%
James Keiller Edmonton, Alberta	Direct	400,000	12.12%	6.35%
TOTAL		1,700,000	51.52%	26.99%

DIRECTORS, OFFICERS AND PROMOTER

The following is a list of the current directors, officers and the Promoter of the Corporation, their municipalities of residence, their current positions with the Corporation and their principal occupations during the past five years:

Name and Municipality of Residence	Position with Corporation	Age	Number of Common Shares
Sean Mager ⁽¹⁾⁽²⁾ Edmonton, Alberta	President, Chief Executive Officer, Corporate Secretary, Director and Promoter	52	650,000 Common Shares
John Williamson ⁽¹⁾ Edmonton, Alberta	Chairman and Director	58	650,000 Common Shares
Justin Bourassa ⁽¹⁾ Edmonton, Alberta	Chief Financial Officer	33	200,000 Common Shares
Jeremy Yaseiniuk Vancouver, British Columbia	Director	48	200,000 Common Shares
Mike Dufresne ⁽³⁾ Edmonton, Alberta	Director	59	200,000 Common Shares
Jim Greig , Vancouver, British Columbia	Director	48	100,000 Common Shares

Notes:

- (1) Member of the Corporation's Audit Committee.
- (2) Chairman of the Audit Committee.
- (3) Held indirectly by a company owned and controlled by Mr. Dufresne.

All of the directors currently have employment outside of the Corporation. Each of the directors of the Corporation has agreed to devote as much of his time to the business and affairs of the Corporation as necessary to complete the Corporation's Qualifying Transaction. In addition to any other requirements of the Exchange, the Exchange expects management of the Corporation to meet a high standard of management. The directors and officers of the Corporation believe that, on a collective basis, management possesses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset within twenty-four (24) months of the closing of this Offering.

The directors and officers of the Corporation currently own or control, directly or indirectly, 2,000,000 Common Shares of the issued and outstanding Common Shares and will own 31.75% of the issued and outstanding Common Shares of the Offering. For particulars of the shareholdings of the directors and officers, see "Principal Shareholders".

Sean Mager, Edmonton, Alberta – President, Chief Executive Officer, Corporate Secretary and Director

Mr. Sean Mager is the legal and beneficial owner of 650,000 Common Shares of the Corporation, amounting to 19.70% of the Corporation's total issued and outstanding share capital as at the date of this Prospectus and prior to giving effect to the Offering. See "Options to Purchase Securities".

Mr. Mager completed his Bachelor of Commerce degree in 1989 from the University of Alberta.

Mr. Mager has worked or been involved in financial audit, management and analysis since 1989. He has been involved in, or responsible for, financial reporting of public entities, including the preparation, audit, analysis and evaluation of financial statements, as well as the supervision of individuals engaged in such activities. Mr. Mager has 20 years of knowledge and experience in accounting and financial reporting for natural resource issuers and the accounting issues specific to such issuers. Mr. Mager has been the Principal of 859053 Alberta Ltd. from December 1999 to present. Mr. Mager serves as a director of Altiplano Metals Inc. since October 2010, director of Benchmark Metals Inc. since February 2013 and Chief Financial Officer since March 2018, Chief Financial Officer, Chief Operating Officer and a director of Brilliant Resources Inc. from September 2015 until May 2015, Vice President, Chief Financial Officer and a director of North Country Gold Corp. from February 2010 until September 2015.

Mr. Mager will devote approximately 25% of his time to performing the work required in connection with the management of the Corporation and completion of the Qualifying Transaction.

John Williamson, Edmonton, Alberta – Chairman and Director

Mr. John Williamson is the legal and beneficial owner of 650,000 Common Shares of the Corporation, amounting to 19.70% of the Corporation's total issued and outstanding share capital as at the date of this Prospectus and prior to giving effect to the Offering. See "Options to Purchase Securities".

Mr. Williamson holds a B.Sc. in Geology and is a registered Professional Geologist with the Association of Professional Engineers and Geoscientists and the Geological Association of Canada.

Mr. Williamson is the President of 678119 Alberta Ltd., a private company which provides management and geological consulting services to junior mineral exploration companies since January 1996. Mr. Williamson is currently the Chairman, President, Chief Executive Officer and a director of Altiplano Metals Inc. since 2010. Mr. Williamson is currently Chief Executive Officer and a director of Benchmark Metals Inc. since March 2018, Director of Scottie Resources Corp. since February 2018, Director of QX Metals Corp. since June 2016, Chairman, Chief Executive Officer and director of North Country Gold Corp. from February 2010 to September 2015, Chief Executive Officer and director of Brilliant Resources Inc. from September 2003 to February 2016. Mr. Williamson has previously served as a director or officer of other reporting issuers.

Mr. Williamson will devote approximately 25% of his time necessary to perform the work required in connection with the management of the Corporation and completion of the Qualifying Transaction.

Justin Bourassa, Edmonton, Alberta – Chief Financial Officer and Director

Mr. Justin Bourassa is the legal and beneficial owner of 200,000 Common Shares of the Corporation amounting to 6.06% of the Corporation's total issued and outstanding share capital as at the date of this Prospectus and prior to giving effect to the Offering. See "Options to Purchase Securities".

Mr. Bourassa completed his Bachelor of Arts degree in 1994 from Carleton University in Ottawa, Ontario and his Masters of Arts in 2002 from the University of Calgary in 2002.

Mr. Bourassa is currently the Chief Financial Officer of Altiplano Metals Inc. since April 2013, Camino Minerals Corp. since September 2018 and Benchmark Metals Inc. from July 2013 until February 2017.

Mr. Bourassa will devote approximately 10% of his time necessary to perform the work required in connection with the management of the Corporation and completion of the Qualifying Transaction.

Jeremy Yaseniuk, Vancouver, British Columbia – Director

Mr. Yaseniuk is the legal and beneficial owner 200,000 Common Shares of the Corporation, amounting to 6.06% of the Corporation's total issued and outstanding share capital as at the date of this Prospectus and prior to giving effect to the Offering. See *"Options to Purchase Securities"*.

Mr. Yaseniuk is a management professional with more than 20 years of experience in business, financing, restructuring, recapitalizing and private and public companies. He is currently the Principal of Brighton Management since 1996. Mr. Yaseniuk is a director of Altiplano Metals Inc. since June 2017 and Investor Relations for Velocity Minerals from March 2009 until June 2015. Mr. Yaseniuk has built a professional network through serving as a broker, chief financial officer, director and manager of public and private companies.

Mr. Yaseniuk will devote approximately 10% of his time necessary to perform the work required in connection with the management of the Corporation and completion of the Qualifying Transaction.

Mike Dufresne, Edmonton, Alberta – Director

Mr. Dufresne indirectly owns 200,000 Common Shares of the Corporation, amounting to 6.06% of the Corporation's total issued and outstanding share capital as at the date of this Prospectus and prior to giving effect to the Offering. See *"Options to Purchase Securities"*.

Mr. Dufresne is a registered Professional Geologist (P.Geo.) with the Association of Professional Engineers and Geoscientists of Alberta (APEGA) and (P.Geo.) with the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC). Mr. Dufresne received his M.Sc. Economic Geology in 1987 from the University of Alberta and B.Sc. Geology in 1983 from the University of North Carolina, Wilmington.

Mr. Dufresne is a consulting geologist and is the President and Principal of Apex Geoscience Ltd. since 1992, an independent geological consulting company. Mr. Dufresne has been a director of Benchmark Metals Inc. since 1996 and Aston Bay Holdings Ltd. since 2015, both TSXV listed companies.

Mr. Dufresne will devote approximately 10% of his time necessary to perform the work required in connection with the management of the Corporation and completion of the Qualifying Transaction.

Jim Greig, Vancouver, British Columbia – Director

Mr. Jim Greig is the legal and beneficial owner of 200,000 Common Shares of the Corporation, amounting to 6.06% of the Corporation's total issued and outstanding share capital as at the date of this Prospectus and prior to giving effect to the Offering. See *"Options to Purchase Securities"*.

Mr. Greig holds an Master of Business Administration degree from the University of Calgary and a Bachelor of Arts degree in Geography from Carleton University.

Mr. Greig is currently engaged with publicly-listed mineral exploration companies as a consultant. Mr. Greig served as Chief Financial Officer and a Director of GFG Resources Inc., and as a member of the audit committee. With 20 years in the resource sector, he brings experience in exploration, development and mineral production.

Mr. Greig will devote approximately 10% of his time necessary to perform the work required in connection with the management of the Corporation and completion of the Qualifying Transaction.

Positions with Reporting Issuers

The following table sets out the directors, officers and promoters of the Corporation that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name of Director Officer or Promoter	Name of Reporting Issuer	Name of Exchange or Market	Position	Term
Sean Mager	Mariner Resources Corp.	CSE	Director	May 1, 2019 - Present
	Benchmark Metals Inc.	TSXV	Director Chief Financial Officer	Feb 2013 - Present Mar 2018 - Present
	Altiplano Metals Inc.	TSXV	Director	Oct 2010 - Present
	North Country Gold Corp.	TSXV	Director, Vice President and Chief Financial Officer	Feb 2010 - Sep 2015
	Brilliant Resources Inc.	TSXV	Chief Financial Officer, Chief Operating Officer and Director	Sep 2003 - May 2015
John Williamson	Altiplano Metals Inc.	TSXV	Chairman, President, Chief Executive Officer and Director	Mar 2010 - Present
	Mariner Resources Corp.	CSE	Chief Executive Officer and Director	May 2019 - Present
	Camino Minerals Corporation	CSE	Chief Executive Officer and Director	Aug 8, 2018 - Present
	Scottie Resources Corp.	TSXV	Director	Feb 2018 - Present
	QX Metals Corp.	TSXV	Director	June 2016 - Present
	Brilliant Resources Inc.	TSXV	Chairman, Chief Executive Officer and Director	Sep 2003 – Feb 2016
	North Country Gold Corp.	TSXV	Chairman, Chief Executive Officer and Director	Feb 2010 - Sep 2015
	Benchmark Metals Inc.	TSXV	Chief Executive Officer and Director	Mar 2018 - Present
Justin Bourassa	Altiplano Metals Inc.	TSXV	Chief Financial Officer Director	Apr 2013 - Present Oct 2018 - Present
	Mariner Resources Corp.	CSE	Chief Financial Officer and Director	Oct 2018 - Present
	Benchmark Metals Inc.	TSXV	Chief Financial Officer	Jul 2013 - Feb 2017
	Camino Minerals Corporation	CSE	Chief Financial Officer	Sep 2018 - Present
Jeremy Yaseniuk	Camino Minerals Corporation	CSE	Director	Aug 2018 - Present
	Altiplano Minerals Ltd.	TSXV	Director	June 2017 - Present
Mike Dufresne	Aston Bay Holdings Ltd.	TSXV	Director	Dec 2015 - Present
	Montego Resources Inc.	TSXV	Director	Sep 2016 - Sep 2017
	Benchmark Metals Inc.	TSXV	Director	Sep 2016 - Present
Jim Greig	Benchmark Metals Inc.	TSXV	President and Director	Jan 2013 - Present
	Cluny Capital Corp.	TSXV	Director	May 2018 - Present
	Camino Minerals Corporation	CSE	Director	Apr 2019 - Present
	Montego Resources Inc.	TSXV	Director	Jan 2019 - Present
	GFG Resources Inc.	TSXV	Director and Chief Financial Officer	May 2012 - Apr 2015 Apr 2019 - Present

Committees

The Corporation currently has one committee, the Audit Committee, which consists of three directors: Sean Mager, John Williamson and Justin Bourassa. The members of the Audit Committee are financially literate, as defined by National Instrument 52-110. It is anticipated that two additional committees will be formed in the future: Compensation Committee and the Corporate Governance Committee.

Corporate Cease Trade Orders or Bankruptcies

No director, officer, Insider or Promoter or a shareholder of the Corporation holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, or within ten years before the date of the Prospectus, has been, a director, officer, Insider or Promoter of any other Issuer that, while that person was acting in that capacity, (a) was the subject of a cease trade or similar order, or an order that denied such issuer access to any statutory exemptions for a period of more than 30 consecutive days; or (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No director, officer, Insider or Promoter of the Corporation, or a shareholder of the Corporation holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

No director, officer, Insider or Promoter of the Corporation, or a shareholder of the Corporation holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such persons has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Conflicts of Interest

There are potential conflicts of interest to which the directors, officers, Insiders and Promoters of the Corporation will be subject in connection with the operations of the Corporation. All of the directors, officers, Insiders and Promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by the Corporation for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where some or all of the directors, officers, Insiders and Promoters will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (Alberta).

Executive Compensation

Except as set out below or otherwise disclosed in this Prospectus, prior to Completion of a Qualifying Transaction, no payment of any kind has been made, or will be made, directly or indirectly, by the Corporation to a Non-Arm's Length Party to the Corporation or a Non-Arm's Length Party to the Qualifying Transaction, or to any person engaged in investor relations activities in respect of the securities of the Corporation or any Resulting Issuer by any means, including:

- (a) remuneration, which includes but is not limited to:
 - (i) salaries;
 - (ii) consulting fees;
 - (iii) management contract fees or directors' fees;
 - (iv) finder's fees;
 - (v) loans, advances, bonuses; and
- (b) deposits and similar payments.

However, the Corporation may reimburse Non-Arm's Length Parties for the Corporation's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursement**"). There have been no such reimbursements since incorporation. No reimbursement may be made for any payment made to lease or buy a vehicle.

The directors and officers of the Corporation will also be granted Stock Options as more particularly described in "*Options to Purchase Securities*".

Following Completion of the Qualifying Transaction, it is anticipated that the Corporation shall pay compensation to its directors and officers. However, no payment other than the Permitted Reimbursements will be made by the Corporation or by any party on behalf of the Corporation, after Completion of the Qualifying Transaction, if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

PROMOTERS

Sean Mager is considered to be the Promoter of the Corporation in that he took the initiative in founding and organizing the Corporation. See "*Prior Sales*", "*Directors, Officers and Promoters*", "*Principal Shareholders*" and "*Options to Purchase Securities – Stock Options*".

DILUTION

Purchasers of Offered Shares under this Prospectus will suffer an immediate dilution of approximately 26.2% or \$0.026 per Offered Share, on the basis of there being 6,300,000 Common Shares of the Corporation issued and outstanding following completion of a the Offering. Dilution has been computed on the basis of total gross proceeds to be raised by this Prospectus and from sales of securities prior to the filing of this Prospectus, without deduction of commissions or related expenses incurred or to be incurred in connection with the Offering by the Corporation.

RISK FACTORS

A purchase of Offered Shares of the Corporation and the purchaser's investment will be highly speculative due to the substantial risk of the Corporation's business and its present stage of development. The following are risk factors associated with the Corporation, which list is not exhaustive:

- (a) the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction. See "*Business of the Corporation – Proposed Operations until Completion of a Qualifying Transaction*";
- (b) the directors and officers of the Corporation will devote only a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time. See "*Directors, Officers and Promoter – Conflicts of Interests*";
- (c) assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of approximately 26.2% or \$0.026 per Offered Share, calculated as set forth under "*Dilution*" above;
- (d) the Corporation is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Corporation is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Corporation. In such event, the Corporation will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found;
- (e) investment in the Offered Shares is highly speculative given the proposed nature of the Corporation's business and its present stage of development;
- (f) there can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell its Offered Shares;
- (g) until Completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. See "*Business of the Corporation – Proposed Operations until Completion of a Qualifying Transaction*";

- (h) the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction;
- (i) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;
- (j) completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval. See "*Business of the Corporation – Filings and Shareholder Approval of a Non-Arm's Length Qualifying Transaction*";
- (k) unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Common Shares;
- (l) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Corporation will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Common Shares of the Corporation will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction. See *Business of the Corporation – Trading, Halts, Suspensions and Delisting*";
- (m) trading in the Common Shares of the Corporation may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required. See "*Business of the Corporation – Trading, Halts, Suspensions and Delisting*";
- (n) the Exchange will generally suspend trading in the Corporation's Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing. See "*Business of the Corporation – Trading, Halts, Suspensions and Delisting*";
- (o) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
- (p) in the event that management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service of notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts;
- (q) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation. See "*Business of the Corporation – Method of Financing*"; and
- (r) subject to prior acceptance by the Exchange, the Corporation may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan. See "*Use of Proceeds – Permitted Use of Funds*".

As a result of these factors, this Offering is suitable only for investors who are willing to rely solely on management of the Corporation and who can afford to lose their entire investment. Those investors who are not prepared to do so should not invest in the Offered Shares.

LEGAL PROCEEDINGS

The Corporation is not currently a party to any actual or pending legal proceedings, nor is the Corporation currently contemplating any legal proceedings, which are material to its business or of which any of its assets are likely to be subject. Management of the Corporation is currently not aware of any legal proceedings contemplated against the Corporation.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

Neither the Corporation nor any of its directors or officers are a “related” or “connected issuer” as such terms are defined in National Instrument 33-105, “*Underwriting Conflicts*” of the Agent.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to this Offering will be passed upon by Heighington Law Firm, on behalf of the Corporation and by Vantage Law Corporation, on behalf of the Agent.

There is no beneficial interest, direct or indirect, in any securities or properties of the Corporation or of an Associate or Affiliate of the Corporation, held by a professional person as referred to in the CPC Policy, a responsible solicitor or any partner of a responsible solicitor’s firm nor is any such person currently or expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an Associate or Affiliate of the Corporation, or a Promoter of the Corporation or of an Associate or Affiliate of the Corporation.

AUDITOR, TRANSFER AGENT AND REGISTRAR

Auditor

The auditor of the Corporation is Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, 1500 – 1140 West Pender Street, Vancouver, British Columbia V6E 4G1.

Transfer Agent and Registrar

The registrar and transfer agent of the Common Shares of the Corporation is TSX Trust Company, 300 – 5th Avenue SW, 10th Floor, Calgary, Alberta T2P 3C4.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of directors, officers and any shareholder who beneficially own, directly or indirectly, more than 10% of the outstanding Common Shares or any known Associates or Affiliates of such Persons, in any transaction since incorporation of the Corporation, or in any proposed transaction which has materially affected or would materially affect the Corporation.

MATERIAL CONTRACTS

The Corporation has not entered into any contracts material to investors in the Common Shares hereunder, other than the following:

- (a) Registrar and Transfer Agent Agreement dated as of May 22, 2019 between the Corporation and the Agent. See “*Auditor, Transfer Agent and Registrar*”.
- (b) Agency Agreement dated as of ●, 2019 between the Corporation and the Agent. See “*Plan of Distribution*”.
- (c) Seed Share Escrow Agreement dated as of May 22, 2019 between the Corporation, the Escrow Agent and those shareholders that executed such agreement. See “*Escrowed Securities*”.
- (d) Incentive Stock Option Plan dated as of July 18, 2019. See “*Options to Purchase Securities*”.

Copies of these agreements will be available for inspection at the registered office of the Corporation, located at 1150, 707 – 7th Avenue SW, Calgary, Alberta T2P 3H6 during ordinary business hours while the Offered Shares offered by this Prospectus are in the course of distribution and for a period of 30 days thereafter.

OTHER MATERIAL FACTS

To the Corporation’s knowledge, there are no other material facts about the Offered Shares being distributed that are not otherwise disclosed in this Prospectus, or are necessary in order for the Prospectus to contain full, true and plain disclosure of all material facts relating to the Offered Shares being distributed.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the Offering Jurisdictions provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus or any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. 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.

ELIGIBILITY FOR INVESTMENT

In the opinion of Heighington Law Firm, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") and any proposal to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, if the Common Shares were issued on the date hereof and listed on a "designated stock exchange" as defined in the Tax Act (which includes the Exchange) or if the Corporation was otherwise a "public corporation" (as defined in the Tax Act) on the date hereof, then the Common Shares would at that time be a "qualified investment" under the Tax Act for a trust governed by a "registered retirement savings plan" ("**RRSP**"), "registered retirement income fund" ("**RRIF**"), "tax-free savings account" ("**TFSA**"), "registered education savings plan" ("**RESP**"), "deferred profit sharing plan" or "registered disability savings plan" ("**RDSP**"), as those terms are defined in the Tax Act (collectively the "**Plans**").

The Common Shares are not currently listed on a designated stock exchange and the Corporation is not currently a "public corporation", as that term is defined in the Tax Act. The Corporation has applied to list the Common Shares on the Exchange as of the day before the Closing of the Offering, followed by an immediate halt in trading of the Common Shares in order to allow the Corporation to satisfy the conditions of the Exchange and to have the Common Shares listed and posted for trading prior to the issuance of the Common Shares on the Closing of the Offering. The Corporation must rely on the Exchange to list the Common Shares on the Exchange and have them posted for trading prior to the issuance of the Common Shares on the Closing of the Offering and to otherwise proceed in such manner as may be required to result in the Common Shares being listed on the Exchange at the time of their issuance on Closing. If the Common Shares are not listed on the Exchange at the time of their issuance on the Closing of the Offering and the Corporation is not otherwise a "public corporation" at that time, the Common Shares will not be qualified investments for the Plans at that time.

Notwithstanding that the Common Shares may be qualified investments for a TFSA, RRSP or RRIF (a "**Registered Plan**"), if the Common Shares are a "prohibited investment" within the meaning of the Tax Act for a Registered Plan, the holder or annuitant of the Registered Plan, as the case may be, will be subject to penalty taxes as set out in the Tax Act. The Common Shares 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 Corporation for the purposes of the Tax Act, and (b) does not have a "significant interest" (as defined in the Tax Act) in the Corporation. In addition, the Common Shares will not be a prohibited investment if the Common Shares are "excluded property" (as defined in the Tax Act) for a Registered Plan. Pursuant to proposed amendments to the Tax Act announced in the federal budget released on March 22, 2017, the rule in respect of "prohibited investments" are also proposed to apply to registered education savings plans and registered disability savings plans, generally in respect of transactions occurring, and investments acquired after, such date. Holders and annuitants should consult their own tax advisors with respect to whether the Common Shares would be a "prohibited investment" as defined in the Tax Act.

Purchasers who intend to hold Common Shares in their Plans should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

FINANCIAL STATEMENTS

Financial Statements of the Corporation, audited as of April 30, 2019 are attached.

DURO METALS INC.

(A Capital Pool Company)

Financial Statements

For the period from July 18, 2018 to April 30, 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors and Shareholders of Duro Metals Inc.

Opinion

We have audited the financial statements of Duro Metals Inc. (the "Company"), which comprise the statement of financial position as at April 30, 2019, and the statements of loss and comprehensive loss, changes in equity and cash flows for the period from incorporation on July 18, 2018 to April 30, 2019, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2019, and its financial performance and its cash flows for the period of incorporation on July 18, 2018 to April 30, 2019 in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which states events or conditions, along with other matters that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

/s/ DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

June 14, 2019

DURO METALS INC.
Statement of Financial Position
As at April 30, 2019

ASSETS

Current

Cash	\$ 141,588
Prepaid (note 4)	20,000
Goods and services tax receivable	<u>669</u>
	<u>\$ 162,257</u>

LIABILITIES

Current

Accrued liabilities	<u>\$ 8,000</u>
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EQUITY

Share capital (note 4)

165,000

Deficit

(10,743)

154,257

\$ 162,257

Approved by the Board of Directors

Director (signed by) "Sean Mager"

Director (signed by) "John Williamson"

The accompanying notes form an integral part of these financial statements.

DURO METALS INC.
Statement of Loss and Comprehensive Loss
For the period from July 18, 2018 to April 30, 2019

EXPENSES	
Office and administration	\$ 179
Professional fees	8,999
Regulatory and filing fees	2,500
	<u>(11,678)</u>
OTHER	
Interest income	935
	<u>935</u>
Net comprehensive loss	<u>\$ (10,743)</u>
Basic and diluted loss per common share	<u>\$ -</u>
Basic and diluted weighted average number of common shares outstanding	<u>-</u>

The accompanying notes form an integral part of these financial statements.

DURO METALS INC.
Statement of Changes in Equity
For the period from July 18, 2018 to April 30, 2019

	Share capital	Reserve	Deficit	Total equity
Balance at July 18, 2018 (inception)	\$ -	\$ -	\$ -	\$ -
Shares issued for cash (note 4)	165,000	-	-	165,000
Net loss	-	-	(10,743)	(10,743)
Balance at April 30, 2019	\$ 165,000	\$ -	\$ (10,743)	\$ 154,257

The accompanying notes form an integral part of these financial statements.

DURO METALS INC.
Statement of Cash Flows
For the period from July 18, 2018 to April 30, 2019

Cash provided by (used in):

Operating activities

Net loss	\$ (10,743)
Changes in non-cash working capital:	
Prepays	(20,000)
Goods and services tax receivable	(669)
Accrued liabilities	8,000
Cash used in operating activities	<u>(23,412)</u>

Financing activities

Proceeds from issuance of share capital	<u>165,000</u>
Cash provided by financing activities	<u>165,000</u>

Net increase in cash	141,588
Cash, beginning of period	-
Cash, end of period	<u>\$ 141,588</u>

The accompanying notes form an integral part of these financial statements.

1. Nature of operations

Duro Metals Inc. ("Duro" or the "Company") was incorporated under the Business Corporations Act (Alberta) on July 18, 2018. The Company's head office is at 10545 45 Ave NW, 250 Southridge, Suite 300, Edmonton, Alberta, T6H 4M9.

The Company is intending to complete an initial public offering as a Capital Pool Company as defined in the TSX Venture Exchange (the "Exchange") of Policy 2.4. The principal business of the Company will be the identification and evaluation of a Qualifying Transaction ("QT") and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholders' approval, if required, and acceptance by regulatory authorities. The Company plans to focus on evaluating, acquiring, and exploring mineral properties with significant potential for advancement. The Company's continuing operation as intended are dependent upon its ability to identify, evaluate and negotiate a QT. The QT will be subject to the approval of the Exchange and in case of a non-arm's length transaction, of the majority of the Company's minority shareholders. The Company is required to complete its QT on or before two years from the date the Company receives regulatory approval. Where a QT has been identified, additional funding may be required in order to complete the transaction; there is no assurance that the Company will be successful in obtaining any additional funding. If the Company does not complete a QT within two years from the date the Company's common shares are listed for trading on the Exchange, the Exchange may suspend or de-list the Company's common shares from trading.

These financial statements have been prepared on the basis that the Company will continue as a going concern. The proposed business of the Company and the completion of a QT involves a high degree of risk and there is no assurance that the Company will identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition or investment within the requisite time period. Additional funds will be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern.

2. Basis of presentation

Statement of Compliance

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

These financial statements were authorized for issue by the Board of Directors of the Company on June 14, 2019.

Basis of Presentation

These financial statements are presented in Canadian Dollars, unless otherwise noted and have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit and loss or fair value through other comprehensive income, which are stated at their fair value. The Canadian dollar is the functional and presentation currency of the Company.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

a) Management estimates and judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the amounts reported and disclosed in its financial statements and related notes. Those include estimates that, by their nature, are uncertain and actual results could differ materially from those estimates. The impacts of such estimates may require accounting adjustments based on future results. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The areas which require management to make significant estimates, judgments and assumptions in determining carrying values relate to, but are not limited to, the following:

- i) The evaluation of the Company's ability to continue as a going concern
- ii) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

b) Cash

Cash is comprised of cash on hand and cash on deposit with the Company's financial institution on which it earns variable amounts of interest.

c) Financial instruments

Financial instruments are accounted for in accordance with IFRS 9, "Financial Instruments: Classification and Measurement".

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash is measured at FVTPL.

3. Significant accounting policies (continued)

Impairment of financial assets

IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Fair value

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. Significant accounting policies (continued)

d) Loss per share

Loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments. In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company's common shares for the period will be dilutive.

e) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting loss or taxable loss and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

f) New standards, interpretations and amendments not yet adopted

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2019. The Company anticipates that the application of these standards, amendments, revisions and interpretations will not have a material impact on the results and financial position of the Company.

4. Share capital

a) Authorized

The Company's articles authorize an unlimited number of common shares without par value and an unlimited number of preferred shares.

b) Common shares issued

A summary of changes in common share capital in the period is as follows:

	Number of shares	Amount
Balance at July 18, 2018	-	\$ -
Shares issued for cash (i) (ii)	3,300,000	165,000
Balance at April 30, 2019	3,300,000	\$ 165,000

- (i) Of this 2,000,000 common shares were issued to the directors and a company controlled by a director for proceeds of \$100,000.
- (ii) Upon closing of the Initial Public Offering ("IPO"), the 3,300,000 common shares of the Company outstanding at April 30, 2019 will be subject to a CPC Escrow Agreement. Under the CPC Escrow Agreement, 10% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin on completion of a QT (the "Initial Release") and an additional 15% will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. In the event that the Company is unable to complete a QT within certain limits, the shares in escrow may be cancelled. Accordingly, these share have been accounted for as contingently returnable and excluded from the calculation of loss per share.

c) Initial Public Offering as a Capital Pool Company

During the period, the Company entered into a Letter of Intent ("LOI") with Mackie Research Capital Corporation (the "Agent") whereby the Agent has agreed to raise on a commercially reasonable efforts \$300,000 in the IPO by the issuance of 3,000,000 common shares of the Company at a price of \$0.10 per common share.

Pursuant to the terms of the LOI, the Company has agreed to pay to the Agent a commission of 9% of the gross proceeds of the IPO, payable in cash, and a corporate finance fee of \$10,000, plus the Agent's legal fees incurred, estimated at \$10,000 plus disbursements and taxes, and any other reasonable expenses of the Agent. As at April 30, 2019, the Company has made a prepayment of \$20,000 to the Agent pursuant to the LOI.

The Company has also agreed to grant to the Agent such number of agent's warrants (the "Agent's Warrants") which will entitle the Agent to purchase up to 9% of the common shares sold under the IPO, being up to 270,000 common shares of the Company (the "Agent's Warrant Shares"), at a purchase price of \$0.10 per Agent's Warrant Share until 24 months from the date of closing of the IPO.

5. Financial instruments and risk management

The Company is exposed to the following financial risks:

- i) Market risk
- ii) Credit risk
- iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board and the Company's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's share capital as well as the Company's reporting currency is denominated in Canadian Dollars. The Company considers this risk to be minimal.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds no interest-bearing financial liabilities, therefore interest rate risk is limited to potential decreases on the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

Credit risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held with reputable institutions in Canada. The Company is not exposed to any material credit risk. The Company's maximum exposure to credit risk is \$141,588.

5. Financial instruments and risk management

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board. As at April 30, 2019, all of the Company's financial liabilities are due within one year.

As at April 30, 2019, the Company's working capital was \$154,257 and it does not have any monetary long-term liabilities. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

Determination of fair value

The statements of financial position carrying amounts for cash, goods and services tax receivable, and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Capital management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as shareholders' equity.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital restrictions.

6. Related party transactions

Key management personnel consist of officers and directors of the Company. As at April 30, 2019, the Company has \$Nil balance owing to the related parties.

During the period ended April 30, 2019, 2,000,000 common shares were issued to the directors and a company controlled by a director for proceeds of \$100,000

7. Income taxes

	Period from incorporation on July 18, 2018 to April 30, 2019
Loss before income taxes	\$ 10,743
Statutory rate	27%
Expected income tax recovery at statutory tax rates	(2,900)
Change in unrecognized deductible temporary differences	2,900
Total deferred tax recovery	\$ -

Significant components of the Company's temporary differences and unused tax losses include losses available for future periods of \$10,700 expiring in 2039.

CERTIFICATE OF THE CORPORATION

DATE: July 18, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

(Signed) "*Sean Mager*"

Sean Mager

President, Chief Executive Officer,
Corporate Secretary and Director

(Signed) "*Justin Bourassa*"

Justin Bourassa

Chief Financial Officer and Director

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) "*John Williamson*"

John Williamson

Chairman and Director

(Signed) "*Jeremy Yaseniuk*"

Jeremy Yaseniuk

Director

CERTIFICATE OF THE PROMOTER

DATE: July 18, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

(Signed) ***"Sean Mager"***

Sean Mager

Promoter

CERTIFICATE OF THE AGENT

DATE: July 18, 2019

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

MACKIE RESEARCH CAPITAL CORPORATION

Per: (Signed) "*Jovan Stupar*"
Jovan Stupar,
Managing Director, Investment Banking