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

**AMENDED AND RESTATED PROSPECTUS DATED JULY 21, 2017,
AMENDING AND RESTATING PROSPECTUS DATED APRIL 25, 2017**

INITIAL PUBLIC OFFERING

July 21, 2017



SILVER VIPER MINERALS CORP.

1130-1055 W Hastings Street
Vancouver, B.C. V6E 2E9
(604) 687-8566

MINIMUM OF CDN\$3,000,000

MAXIMUM OF CDN\$5,000,000

Minimum: 12,000,000 Common Shares at a price of CDN\$0.25 per Common Share

Maximum: 20,000,000 Common Shares at a price of CDN\$0.25 per Common Share

Silver Viper Minerals Corp. (the "Company") is offering (the "Offering") to purchasers resident in British Columbia, Alberta and Ontario, and elsewhere permitted by applicable law, through its agent, Haywood Securities Inc. (the "Agent") on a commercially reasonable efforts basis, a minimum (the "Minimum Offering") of 12,000,000 common shares (the "Common Shares") and a maximum (the "Maximum Offering") of up to 20,000,000 Common Shares of the Company at a price of \$0.25 per Common Share for gross proceeds of a minimum of \$3,000,000 and a maximum of \$5,000,000. The Offering price was determined by negotiation between the Agent and the Company. See "Plan of Distribution".

| | Price to Public | Agent's Commission⁽¹⁾ | Net Proceeds to the Company⁽³⁾ |
|------------------------|------------------------|-----------------------------------------|--------------------------------------------------|
| Per Common Share | \$0.25 | \$0.015 | \$0.235 |
| Total Minimum Offering | \$3,000,000 | \$72,000 ⁽²⁾ | \$2,928,000 |
| Total Maximum Offering | \$5,000,000 | \$120,000 ⁽²⁾ | \$4,880,000 ⁽⁴⁾ |

Notes:

- (1) The Company has agreed to pay the Agent a cash commission equal to 6% of the gross proceeds for any Common Shares sold except those Common Shares sold pursuant to a list of purchasers provided to the Agent by the Company (the "President's List"), on which the Agent will not receive a cash commission. The Company has further agreed to pay the Agent a cash corporate finance fee of \$75,000 plus applicable taxes (the "Corporate Finance Fee"). In addition, the Company has also agreed to pay the expenses reasonably incurred by the Agent in connection with the Offering. See "Plan of Distribution".
- (2) The Company and the Agent anticipate that President's List purchasers will subscribe for up to sixty percent (60%) of the Offering. These figures assume such level of participation to show the expected amount of Agent's cash compensation and the net proceeds to the Company.
- (3) Before deducting the balance of the costs of this issue, estimated at \$141,500, which includes legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees, the Corporate Finance Fee, the listing fee payable to the TSX Venture Exchange (the "Exchange") and

the filing fees payable to the Securities Regulatory Authorities. See "Use of Proceeds".

- (4) The Company has granted an over-allotment option (the "Agent's Option") to allow the Agent to sell up to an additional 3,000,000 Common Shares, at the Offering Price. The Agent's Option is exercisable in whole or in part at any time until two business days prior to Closing. The Agent's Option may only be exercised by the Agent to cover over-allotted subscriptions received from subscribers. If the Agent's Option is exercised in full in conjunction with completion of the Maximum Offering, the total price to the public, Agent's Commission and net proceeds to the Company (before payment of the expenses of the Offering) will be increased by \$750,000, \$45,000, and \$705,000, respectively. This prospectus qualifies for distribution the Common Shares as well as the grant of the Agent's Option and the issuance of the Common Shares on exercise of the Agent's Option.

The Agent is conditionally offering the Common Shares on a "commercially reasonable efforts" basis and subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the terms and conditions contained in the agency agreement (the "Agency Agreement") dated April 25, 2017, as amended July 21, 2017, between the Company and the Agent and subject to the approval of certain legal matters on behalf of the Company by Northwest Law Group and on behalf of the Agent by Miller Thomson LLP. See "Plan of Distribution".

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

The completion of the Minimum Offering is subject to a minimum subscription of 12,000,000 Common Shares for aggregate gross proceeds of \$3,000,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of \$3,000,000 has been raised. In the event that the Minimum Offering subscription is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

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

The Exchange has conditionally accepted the listing of the Company's Common Shares. Listing is subject to the Company fulfilling all of the requirements of the Exchange.

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

An investment in the Common Shares should be considered highly speculative due to the nature of the Company's business, its present stage of development and other risk factors. Investments in natural resource issuers involve a significant degree of risk. The degree of risk increases substantially where the issuer's properties are in exploration as opposed to the development stage. The Company's property is in the exploration stage and is without a known body of commercial ore. Investors should not invest any funds in this Offering unless they can afford to lose their entire investment. See "Risk Factors".

Investors should consider an investment in the securities of the Company to be speculative and should review the risk factors outlined on page 48 of this prospectus.

The Company is not a related or connected issuer to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*). See "Relationship between the Company and Agent".

The Agent's position is as follows:

| Agent's Position | Maximum Size or Number of Securities Available | Exercise Period or Acquisition Date | Exercise Price or Average Acquisition Price |
|-------------------------------|-------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------|
| Agent's Option ⁽¹⁾ | 3,000,000 Common Shares | Up to two business days prior to the closing of the Offering. | \$0.25 ⁽²⁾ |

Note:

- (1) The Agent's Option is qualified under this prospectus. See "Plan of Distribution".

- (2) The Company has agreed to pay the Agent a cash commission equal to 6% of the gross proceeds for any Common Shares sold under the Agent's Option, such that the net proceeds to the Company from the sale of each Common Share (excluding non-commission expenses of the Offering) under the Agent's Option will be \$0.235.

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

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GLOSSARY OF DEFINED TERMS

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

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| “Agency Agreement” | the agency agreement dated April 25, 2017, as amended July 21, 2017, between the Company and the Agent, providing that the Agent, on behalf of the Company, conditionally offers the Common Shares, on a commercially reasonable efforts basis. |
| “Agent” | Haywood Securities Inc. |
| “Agent’s Commission” | 6% of the gross proceeds for any Common Shares sold except those Common Shares sold pursuant to the President’s List, on which the Agent will not receive a cash commission. |
| “Agent’s Option” | the option granted to the Agent to sell up to an additional 3,000,000 Common Shares at a price of \$0.25 per Common Share any time up to two business days prior to Closing. |
| “Articles” | the articles of the Company. |
| “BCA” | the <i>Business Corporations Act</i> (British Columbia). |
| “CDS” | CDS Clearing and Depository Services Inc. |
| “Closing” | closing of the Offering. |
| “Common Shares” | the common shares in the capital of the Company without par value. |
| “Company” | Silver Viper Minerals Corp. |
| “Clemente Option Agreement” | the agreement dated September 30, 2016, as amended December 2, 2016, between the Company and the Optionor pursuant to which the Company has the right to acquire from the Optionor up to a one hundred percent (100%) undivided interest in the Clemente Property subject to the Royalty. |
| “Clemente” or the “Clemente Property” | one mining concession covering approximately 6,214 hectares, in the Pitiquito municipality of northwestern Sonora, 52 km south of the city of Caborca in the Caborca-Trincheras region of Mexico. |
| “Corporate Finance Fee” | means the \$75,000 plus applicable taxes fee payable to the Agent. |
| “Directors” or “Board” or “Board of Directors” | the board of directors of the Company. |
| “Escrow Agreement” | the escrow agreement dated April 21, 2017 among the Company, Transfer Agent and the holders of the escrowed securities. |
| “Exchange” | the TSX Venture Exchange. |
| “IFRS” | International Financial Reporting Standards. |
| “Listing Date” | the date on which the Common Shares are listed for trading on the Exchange. |
| “Maximum Offering” | the offering of 20,000,000 Common Shares at a price of \$0.25 per Common Share pursuant to this prospectus. |
| “Minimum Offering” | the offering of 12,000,000 Common Shares at a price of \$0.25 per Common Share pursuant to this prospectus. |
| “Mining Law” | the Federal Mexican Mining Law. |
| “Mining Regulation” | the Regulations to the Mining Law. |
| “NI 43-101” | National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> . |
| “NP 46-201” | National Policy 46-201 – <i>Escrow for Initial Public Offerings</i> . |
| “Offering” | the offering of a minimum of 12,000,000 Common Shares and a maximum of 20,000,000 Common Shares at a price of \$0.25 per Common Share pursuant to this prospectus. |
| “Optionor” or “Riverside” | Riverside Resources Inc. |
| “President’s List” | a list of purchasers provided to the Agent by the Company comprising aggregate gross subscription proceeds of up to \$3,000,000. |
| “Qualified Person” | George W.G. Sivertz B.Sc., P.Geol., author of the Technical Report. |
| “Royalty” | the 2% net smelter royalty retained by the Optionor on the Clemente Property. |
| “Securities Regulatory Authorities” | the securities commissions (or equivalent) of British Columbia, Alberta and Ontario. |
| “SEDAR” | System for Electronic Document Analysis and Retrieval. |

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| “Stock Option Plan” | the stock option plan adopted by the Directors on October 11, 2016. |
| “Technical Report” | the report titled “NI 43-101 Technical Report on the Clemente Silver-Gold Project Municipality of Pitiquito Sonora, Mexico”, dated February 21, 2017, which was prepared by the Qualified Person, under the guidelines of NI 43-101. |
| “Transfer Agent” | Computershare Investor Services Inc. |

GLOSSARY OF GEOLOGICAL DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires:

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| “Adit” | an adit (from Latin aditus, entrance) is an entrance to an underground mine which is horizontal or nearly horizontal, by which the mine can be entered, drained of water, ventilated, and minerals extracted at the lowest convenient level. Adits are also used to explore for mineral veins. |
| “Allochthonous” | denoting sediment or rock that originated at a distance from its present position. Often contrasted with autochthonous. |
| “Alluvial Fan” | a fan-shaped wedge of sediment that typically accumulates on land where a stream emerges from a steep canyon onto a flat area. In map view it has the shape of an open fan. |
| “Amphibolite” | a metamorphic rock that contains amphibole, especially the species hornblende and actinolite, as well as plagioclase. |
| “Antimony” or “Sb” | Antimony is a chemical element with symbol Sb and atomic number 51. A lustrous gray metalloid, it is found in nature mainly as the sulfide mineral stibnite. |
| “Arenaceous” | consisting of sand or sandlike particles. |
| “Arsenic” or “As” | Arsenic is a chemical element with symbol As and atomic number 33. Arsenic occurs in many minerals, usually in combination with sulfur and metals, but also as a pure elemental crystal. Arsenic is a metalloid. |
| “Arsenopyrite” | a silver-white to gray arsenic ore. |
| “ASTER” | Advanced Spaceborne Thermal Emission and Reflection Radiometer (ASTER). An imaging instrument onboard Terra, the flagship satellite of NASA's Earth Observing System (EOS) launched in December, 1999. |
| “Barium” or “Ba” | Barium is a chemical element with symbol Ba and atomic number 56. It is the fifth element in Group 2, a soft silvery metallic alkaline earth metal. Because of its high chemical reactivity, barium is never found in nature as a free element. |
| “Basalt” | a dark-colored, fine-grained, igneous rock composed mainly of plagioclase and pyroxene minerals. It most commonly forms as an extrusive rock, such as a lava flow, but can also form in small intrusive bodies, such as an igneous dike or a thin sill. |
| “Basin” | in tectonics, a circular, syncline-like depression of strata. In sedimentology, the site of accumulation of a large thickness of sediments. |
| "Basin and Range" or "Basin and Range Province" | the Basin and Range geological province, which is centered on Arizona but extends from northern Mexico through the southwestern United States and was formed as the Earth's crust stretched, thinned, and then broke into mountain blocks which were partially rotated from their original horizontal position. |
| “Basement” | the rocks below a sedimentary platform or cover, or more generally any rock below sedimentary rocks or sedimentary basins that are metamorphic or igneous in origin. |
| “Batholith” | a very large igneous intrusion extending deep in the Earth's crust. |
| “Biotite” | a black, brown, or dark green, abundant and widely distributed species of rock-forming mineral in the mica group. |
| “Bismuth” or “Bi” | a chemical element with the symbol Bi and the atomic number 83. Bismuth, a pentavalent post-transition metal and one of the pnictogens, chemically resembles its lighter homologs arsenic and antimony. Elemental bismuth may occur naturally, although its sulfide and oxide form important commercial ores. |
| “Boron” or “B” | a chemical element with symbol B and atomic number 5. Produced entirely by cosmic ray spallation and supernovae and not by stellar nucleosynthesis, it is a low-abundance element in the Solar system and in the Earth's crust. |
| “Breccia” | a clastic sedimentary rock that is composed of large angular fragments. |
| “Cenozoic” | a period of time that began about 65 million years ago with the extinction of the dinosaurs and continues through the present. The Cenozoic is divided into just two time periods: the Tertiary, and the Quaternary. |
| “Cadmium” or | Cadmium is a chemical element with symbol Cd and atomic number 48. This soft, bluish-white metal is |

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| “Cd” | chemically similar to the two other stable metals in group 12, zinc and mercury. |
| “Cambrian” | the first geological period of the Paleozoic Era, of the Phanerozoic Eon. The Cambrian lasted 55.6 million years from the end of the preceding Ediacaran Period 541 million years ago to the beginning of the Ordovician Period 485.4 million years ago. |
| “Carbon Dioxide” or “CO2” | a colorless and odorless gas that is vital to life on Earth. This naturally occurring chemical compound is made up of a carbon atom covalently double bonded to two oxygen atoms. |
| “Chalcopyrite” | a copper iron sulfide mineral that crystallizes in the tetragonal system. It has a brassy to golden yellow color and a hardness of 3.5 to 4 on the Mohs scale. |
| “Chert” | a hard, dark, opaque rock composed of silica (chalcedony) with an amorphous or microscopically fine-grained texture. It occurs as nodules (flint) or, less often, in massive beds. |
| “Chromium” or “Cr” | Chromium is a chemical element with symbol Cr and atomic number 24. It is the first element in Group 6. It is a steely-grey, lustrous, hard and brittle metal which takes a high polish, resists tarnishing, and has a high melting point. |
| “Compression” | a set of stress directed toward the center of a rock mass. Compressive strength refers to the maximum compressive stress that can be applied to a material before failure occurs. |
| “Conglomerate” | a coarse-grained sedimentary rock composed of rounded fragments (> 2 mm) within a matrix of finer grained material. |
| “Copper” or “Cu” | a chemical element with symbol Cu and atomic number 29. It is a soft, malleable, and ductile metal with very high thermal and electrical conductivity. |
| “Cut” | a hole dug in the past. |
| “Cretaceous” | The last of the three periods of the Mesozoic Era. The Cretaceous began 145.0 million years ago and ended 66 million years ago. |
| “Dike” | a long and relatively thin body of igneous rock that, while in the molten state, intruded a fissure in older rocks. |
| “Diopside” | a pyroxene mineral that occurs in igneous and metamorphic rocks at many locations around the world. Gem-quality crystals of diopside are faceted into attractive gemstones that are occasionally seen in commercial jewelry. |
| “Diorite” | an intrusive igneous rock composed principally of the silicate minerals plagioclase feldspar (typically andesine), biotite, hornblende, and/or pyroxene. |
| “Dolomite” | a common rock-forming mineral. It is a calcium magnesium carbonate. |
| “Drusy” | a gemstone with a natural surface texture much like fine sugar crystals. |
| “Emplacement” | the process or state of setting something in place or being set in place. |
| “Extensional Fault” | a fault caused by stretching of the Earth's crust. Stretching reduces the thickness and horizontally extends portions of the crust and/or lithosphere. In most cases such a fault is also a normal fault, but may create a shallower dip usually associated with a thrust fault. |
| “Flow” | a type of landslide in which the distribution of particle velocities resembles that of a viscous fluid is called a flow. |
| “g/t” | grams per tonne. |
| “Gabbro” | a dark, medium-to coarse-grained intrusive igneous rock composed of calcium plagioclase, pyroxene, and minor olivine, but no quartz. It is the intrusive equivalent of a basalt. |
| “Galena” | the natural mineral form of lead sulfide. It is the most important ore of lead and an important source of silver. |
| “Geochemical Survey” | a survey involving the chemical analysis of systematically collected samples of rock, soil, stream sediments, plants, or water; this expression may be further modified by indicating specifically, the material sampled, as, for example, geochemical soil survey. |
| “Gneiss” | a metamorphic rock with a banded or foliated structure, typically coarse-grained and consisting mainly of feldspar, quartz, and mica. |
| “Goethite” | an iron bearing hydroxide mineral of the diasporite group, is found in soil and other low-temperature environments. |
| “Gold” or “Au” | a chemical element with the symbol Au (from Latin: aurum) and the atomic number 79. In its purest form, it is a bright, slightly reddish yellow, dense, soft, malleable, and ductile metal. |
| “Greenschist” | metamorphic rocks that formed under the lowest temperatures and pressures usually produced by regional metamorphism, commonly having an abundance of green minerals. |
| “H2O” | the chemical formula for water, ice or steam which consists of two atoms of hydrogen and one atom of oxygen. |
| “Hectare” | a metric unit of square measure, equal to 2.471 acres or 10,000 square meters. |

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| “Hematite” | the mineral form of iron(III) oxide, one of several iron oxides. It is mined as the main ore of iron. |
| “Hypogene” | producing or occurring under the surface of the Earth. |
| “Igneous” | rock having solidified from lava or magma. |
| “Illite” | a clay mineral of the muscovite mica group, with a lattice structure that does not expand on absorption of water. |
| “Jasperoid” | a rare, peculiar type of metasomatic alteration and occurs in two main forms; sulfidic jasperoids and hematitic jasperoids. True jasperoids are different from jaspillite, which is a form of metamorphosed chemical sedimentary rock, and from jasper which is a chemical sediment. |
| “Jurassic” | a geologic period and system that extends from about 199.6 million years ago to 145.5 million years ago. |
| “Kbar” | Kilobar, a unit of pressure equal to 1000 bars or 14,500 pounds per square inch. |
| “Laramide” | the Laramide orogeny was a period of mountain building in western North America, which started in the Late Cretaceous, 70 to 80 million years ago, and ended 35 to 55 million years ago. |
| “Lattice” | a description of the arrangement of atoms within a solid mineral crystal, the repetition and even spacing of groups of atoms in 2D and 3D give each crystal distinctive physical symmetries and characteristics. . |
| “Lead” or “Pb” | Lead is a chemical element with atomic number 82 and symbol Pb. It is a soft, malleable, and heavy metal. |
| “Limestone” | a sedimentary rock, composed mainly of skeletal fragments of marine organisms such as coral, forams and molluscs. |
| “Limonite” | an iron ore consisting of a mixture of hydrated iron(III) oxide-hydroxides in varying composition. |
| “Listric Fault” | a fault similar to normal faults but the fault plane curves, the dip being steeper near the surface, then shallower with increased depth. |
| “Ma” | million years ago. |
| “Mafic” | an adjective describing a silicate mineral or igneous rock that is rich in magnesium and iron, and is thus a portmanteau of magnesium and ferric. |
| “Magnesium” or “Mg” | a chemical element with symbol Mg and atomic number 12. It is a shiny gray solid. |
| “Marker Bed” | a bed of rock strata that are readily distinguishable by reason of physical characteristics and are traceable over large horizontal distances. |
| “Mega Shear” | when the horizontal displacement of this faulting can be measured in the tens or hundreds of kilometers of length, the fault is referred to as a megashear. |
| “Mercury” or “Hg” | a chemical element with symbol Hg and atomic number 80. It is commonly known as quicksilver and was formerly named hydrargyrum. |
| “Mesozoic” | an interval of geological time from about 252 to 66 million years ago. |
| “Metamorphic” | denoting rock that has undergone transformation by heat, pressure, or other natural agencies, e.g., in the folding of strata or the nearby intrusion of igneous rocks. |
| “Metamorphosed” | to undergo or cause to undergo metamorphosis or metamorphism. |
| “Metasediment” | sediment or sedimentary rock that appears to have been altered by metamorphism. |
| “Mineralization” | the concentration of metals and their chemical compounds within a body of rock. |
| “Molybdenum” or “Mo” | a chemical element with symbol Mo and atomic number 42. The name is from Neo-Latin molybdaenum, meaning lead, since its ores were confused with lead ores. |
| “Net Smelter Return” | a share of the net revenues generated from the sale of metal produced by a mine. |
| “Ore” | the naturally occurring material from which a mineral or minerals of economic value can be extracted profitably or to satisfy social or political objectives. |
| “Orogenic” | the process of mountain formation, especially by a folding and faulting of the Earth's crust. |
| “Outcrop” | a visible exposure of bedrock or ancient superficial deposits on the surface of the Earth. |
| “Paleozoic” | a major interval of geologic time that began 541 million years ago with the Cambrian explosion, an extraordinary diversification of marine animals, and ended about 252 million years ago with the end-Permian extinction, the greatest extinction event in Earth history. |
| “Pegmatite” | a coarsely crystalline granite or other igneous rock with crystals several centimeters to several meters in length. |
| “Phenocryst” | a large or conspicuous crystal in a porphyritic rock, distinct from the groundmass. |
| “Phosphorus” or “P” | a chemical element with symbol P and atomic number 15. As an element, phosphorus exists in two major forms—white phosphorus and red phosphorus—but because it is highly reactive, phosphorus is never found as a free element on Earth. |
| “Plagioclase” | a group of related feldspar minerals that essentially have the same formula but vary in their percentage of |

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| | sodium and calcium. |
| “Plutonic” | relating to or denoting igneous rock formed by solidification at considerable depth beneath the Earth's surface. |
| “Porphyry” | a hard igneous rock containing crystals, usually of feldspar, in a fine-grained, typically reddish groundmass. |
| “Potassium” or “K” | a chemical element with symbol K and atomic number 19. It was first isolated from potash, the ashes of plants, from which its name derives. |
| “ppm” | parts per million. |
| “Precambrian” | the vast bulk of the Earth's history, starting with the planet's creation about 4.5 billion years ago and ending with the emergence of complex, multicelled life-forms almost four billion years later. |
| “Propylitic” | the chemical alteration of a rock, caused by iron and magnesium bearing hydrothermal fluids, altering biotite or amphibole within the rock groundmass. |
| “Proterozoic” | the Proterozoic Eon extended from 2.5 billion years ago to 541 million years ago, and is the most recent part of the Precambrian Supereon. |
| “Pyrite” | the most common of the sulphide minerals. |
| “Pyrrhotite” | an unusual iron sulphide mineral with variable iron content. |
| “Quartz” | one of the most abundant minerals in the Earth's crust, whose composition is silicon dioxide. |
| “Quartzite” | a hard, non-foliated metamorphic rock which was originally pure quartz sandstone. |
| “Sandstone” | a clastic sedimentary rock composed mainly of sand-sized minerals or rock grains. Most sandstone is composed of quartz or feldspar because these are the most common minerals in the Earth's crust. |
| “Scheelite” | a white, brownish, or greenish mineral, usually fluorescent, consisting of calcium tungstate in tetragonal crystalline form with some tungsten often replaced by molybdenum; occurs principally in contact metamorphic rocks and quartz veins, and is an important source of tungsten and purified calcium tungstate. |
| “Schist” | a strongly foliated crystalline rock, formed by dynamic metamorphism, that can be readily split into thin flakes or slabs due to the well-developed parallelism of more than 50% of the minerals present, particularly those of lamellar or elongate prismatic habit. |
| “Selenium” or “Se” | a chemical element with symbol Se and atomic number 34. It is a nonmetal with properties that are intermediate between the elements above and below in the periodic table, sulfur and tellurium. |
| “Shale” | a fine-grained, clastic sedimentary rock composed of mud that is a mix of flakes of clay minerals and tiny fragments (silt-sized particles) of other minerals, especially quartz and calcite. |
| “Shear” | a deformation resulting from stresses that cause or tend to cause contiguous parts of a body to slide relatively to each other in a direction parallel to their plane of contact. It is the mode of failure of a body or mass whereby the portion of the mass on one side of a plane or surface slides past the portion on the opposite side. In geological literature the term refers almost invariably to strain rather than to stress. It is also used to refer to surfaces and zones of failure by shear, and to surfaces along which differential movement has taken place. |
| “Silicification” | the process by which silica minerals such as quartz, chalcedony, and opal fill pores or replace existing minerals, rock, or wood. Silicification occurs in the Earth's interior through the action of hydrothermal (hot) and cold water saturated with silica. |
| “Silicon Dioxide” or “SiO₂” | also known as silica, a chemical compound that is an oxide of silicon with the chemical formula SiO ₂ . It has been known since ancient times. Silica is most commonly found in nature as quartz, as well as in various living organisms. |
| “Siltstone” | a fine-grained sedimentary rock consisting of consolidated silt. |
| “Silver” or “Ag” | the metallic element with the atomic number 47. |
| “Sphalerite” | a mineral that is the chief ore of zinc. It consists largely of zinc sulfide in crystalline form but almost always contains variable iron. |
| “Specularite” | a variety of hematite characterized by aggregates of silvery, metallic, specular hematite flakes or tabular, anhedral crystal |
| “Stock work” | a complex system of structurally controlled or randomly oriented veins. |
| “Strontium” or “Sr” | Strontium is a chemical element with symbol Sr and atomic number 38. An alkaline earth metal, strontium is a soft silver-white or yellowish metallic element that is highly reactive chemically. |
| “Sulfur” or “S” | a chemical element with symbol S and atomic number 16. It is abundant, multivalent, and nonmetallic. |
| “Survey” | the orderly and exacting process of examining and delineating the physical or chemical characteristics of the Earth's surface, subsurface, or internal constitution by topographic, geologic, geophysical, or geochemical measurements. |
| “SWIR” | shortwave infrared (SWIR) range (wavelengths from 0.9 to 1.7 microns). |
| “Tellurium” or “Te” | a chemical element with symbol Te and atomic number 52. It is a brittle, mildly toxic, rare, silver-white |

| | |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | metalloid. |
| “Tertiary” | relating to or denoting the first period of the Cenozoic era, between the Cretaceous and Quaternary periods, and comprising the Paleogene and Neogene subperiods. |
| “Thallium” or “Tl” | a chemical element with symbol Tl and atomic number 81. This soft gray post-transition metal is not found free in nature. When isolated, it resembles tin, but discolors when exposed to air. |
| “Thrust Fault” | a type of fault, or break in the Earth's crust across which there has been relative movement, in which rocks of lower stratigraphic position are pushed up and over higher strata. They are often recognized because they place older rocks above younger. |
| “Tin” or “Sn” | Tin is a chemical element with the symbol Sn and atomic number 50, is a post-transition metal in group 14 of the periodic table. |
| “TIR” | thermal infrared radiation refers to electromagnetic waves with a wavelength of between 3.5 and 20 micrometers. |
| “Transpression” | a type of strike-slip deformation that deviates from simple shear because of a simultaneous component of shortening perpendicular to the fault plane. |
| “Triassic” | the first period of the Mesozoic Era and occurred between 251 million and 199 million years ago. |
| “Tuff” | a light, porous rock formed by consolidation of volcanic ash. |
| “Tungsten” or “W” | Tungsten, also known as wolfram, is a chemical element with symbol W and atomic number 74. The word tungsten comes from the Swedish language tung sten, which directly translates to heavy stone. |
| “UTM” | Universal Transverse Mercator coordinate system, a grid-based method of mapping locations on the surface of the Earth. |
| “Vanadium” or “V” | a chemical element with symbol V and atomic number 23. It is a hard, silvery grey, ductile, and malleable transition metal. |
| “Vein” | a mineral deposit, usually steeply inclined. Used to describe a body that is usually smaller and has better defined walls than a lode. |
| “VNIR” | the visible and near-infrared (VNIR) portion of the electromagnetic spectrum has wavelengths between approximately 400 and 1400 nanometers (nm). |
| “Vug” | a cavity in rock, lined with mineral crystals. |
| “Xenolith” | a piece of rock within an igneous rock that is not derived from the original magma but has been introduced from elsewhere, especially the surrounding country rock. |
| “Zinc” or “Zn” | a bluish-white, lustrous metal. Employed to form numerous alloys with other metals including brass, nickel silver, commercial bronze, spring brass, soft solder, and aluminum solder. Used extensively by the automotive, electrical, and hardware industries. |

CURRENCY

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

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains “forward-looking information” which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects, the acquisition of interests in mineral properties, the timing of completion and success of exploration activities and programs on the Clemente Property, the timing for completion of payments to be made and exploration expenditures to be incurred under the Clemente Option Agreement, the timing of issuing Common Shares pursuant to the Clemente Option Agreement, the exercise of the option to acquire a 100% interest in the Clemente Property, the Company’s proposed Clemente exploration program, the future price of gold, silver or other metal prices, exploration expenditures, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and regulatory matters.

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

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, and competitive uncertainties; lack of production; limited operating history of the Company; the actual results of current exploration activities; ability to obtain prospecting licenses or permits; proper title to the concession that comprises the Clemente Property; ability to retain qualified personnel; the ability to obtain adequate financing for exploration and development; volatility of commodity prices; environmental risks of mining operations; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses as well as those factors discussed in the section entitled "Risk Factors" in this prospectus.

Forward-looking statements are based on a number of material factors and assumptions, including the determination of mineral reserves or resources, if any, the results of exploration and drilling activities, the availability and final receipt of required approvals, licenses and permits, that sufficient working capital is available to complete proposed exploration and drilling activities, that contracted parties provide goods and/or services on the agreed timeframes, the equipment necessary for exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred and that no unusual geological or technical problems occur. While the Company considers these assumptions may be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this prospectus. See “Risk Factors”.

These forward-looking statements are made as of the date of this prospectus. Following Closing of the Offering and listing on the Exchange, the Company intends to discuss in its quarterly and annual reports referred to as the Company’s Management’s Discussion and Analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in this prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. The Company will file an amended prospectus if material changes occur between the date of this prospectus and the Closing of the Offering.

Investors are cautioned against placing undue reliance on forward-looking statements.

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.

The Company

Silver Viper Minerals Corp. (previously defined as the “Company”) was incorporated in British Columbia on April 26, 2016. To date, the Company has been engaged in the acquisition and exploration of its mineral property located in Sonora, Mexico, the Clemente Property. Pursuant to the Clemente Option Agreement, the Company currently has an option to acquire a one hundred percent (100%) undivided interest in the Clemente Property situated approximately 52 km south of the city of Caborca in the Caborca-Trincheras region of Mexico.

The Clemente Property is comprised of one mining concession covering approximately 6,214 hectares and is located in the State of Sonora, Mexico. See “Business of the Company” and “Clemente Property”.

The Offering

Offering: The Company is offering a minimum of 12,000,000 Common Shares and a maximum of 20,000,000 Common Shares at a price of \$0.25 per Common Share for minimum gross proceeds of \$3,000,000 and maximum gross proceeds of \$5,000,000. The prospectus qualifies the distribution of the Common Shares, including any Common Shares sold as a result of the Agent’s exercise of the Agent’s Option. See “Plan of Distribution”.

Agent’s Commission: Under the terms of the Agency Agreement, the Company will pay the Agent a cash commission (previously defined as the “Agent’s Commission”) equal to 6% of the gross proceeds for any Common Shares sold except those Common Shares sold pursuant to the President’s List, on which the Agent will not receive a cash commission. The Company also granted the Agent’s Option to the Agent to sell up to an additional 3,000,000 Common Shares at a price of \$0.25 per Common Share any time up to two business days prior to Closing. The Company has also agreed to pay to the Agent the Corporate Finance Fee of \$75,000, plus applicable taxes and pay for all reasonable expenses of the Agent in connection with the Offering. See “Plan of Distribution”.

Use of Proceeds – Minimum Offering: After deducting the estimated balance of the expenses of the Offering of \$141,500 and the expected Agent’s Commission of \$72,000, the estimated net proceeds of the Minimum Offering will be \$2,786,500 and will be used to implement the recommended work program on the Clemente Property and for general working capital purposes. As at June 30, 2017, the Company had a working capital surplus of \$2,252,988. Accordingly, the Company anticipates having available funds of approximately \$5,039,488 following Closing of the Minimum Offering. See “Use of Proceeds”.

| <u>Use of Available Funds</u> | <u>Amount (\$)</u> |
|------------------------------------------------------------------------------------------|---------------------------|
| Clemente Property payment | 50,000 |
| Phase I exploration program on the Clemente Property | 1,200,000 |
| Phase II exploration program on the Clemente Property | 1,800,000 |
| Estimated general and administrative expenses for the 12 months following the Offering | 486,000 |
| Further payments required to exercise option to acquire Clemente Property ⁽¹⁾ | 660,000 |
| Unallocated working capital to fund ongoing operations | 843,488 |
| Total | 5,039,488 |

Note:

(1) In order for the Company to exercise its option on the Clemente Property, after deducting payments made to date and the \$50,000 property payment, the Company will be required to make further cash payments totaling \$660,000. Such further payments will be contingent on the results of the recommended exploration program on the Clemente Property.

Use of Proceeds – Maximum Offering: After deducting the estimated balance of the expenses of the Offering of \$141,500 and the expected Agent’s Commission of \$120,000, the estimated net proceeds of the Maximum Offering will be \$4,738,500, and will be used to implement the recommended work program on the Clemente Property

and for general working capital purposes. As at June 30, 2017, the Company had a working capital surplus of \$2,252,988. Accordingly, the Company anticipates having available funds of approximately \$6,991,488 following Closing of the Maximum Offering. See “Use of Proceeds”.

| <u>Use of Available Funds</u> | <u>Amount (\$)</u> |
|------------------------------------------------------------------------------------------|---------------------------|
| Clemente Property payment | 50,000 |
| Phase I exploration program on the Clemente Property | 1,200,000 |
| Phase II exploration program on the Clemente Property | 1,800,000 |
| Estimated general and administrative expenses for the 12 months following the Offering | 486,000 |
| Further payments required to exercise option to acquire Clemente Property ⁽¹⁾ | 660,000 |
| Unallocated working capital to fund ongoing operations | <u>2,795,488</u> |
| Total | <u>6,991,488</u> |

Note:

(1) In order for the Company to exercise its option on the Clemente Property, after deducting payments made to date and the \$50,000 property payment, the Company will be required to make further cash payments totaling \$660,000. Such further payments will be contingent on the results of the recommended exploration program on the Clemente Property.

Risk Factors

An investment in the Company is highly speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to: (i) exploration and development; (ii) potential profitability depending upon factors beyond the control of the Company; (iii) title matters, surface rights and access rights; (iv) environmental risks and other regulatory requirements; (v) political and economic instability in foreign countries; (vi) governmental permits and licensing; (vii) possible loss of interests in Clemente Property; (viii) foreign currency fluctuations; (ix) requirement for additional funds; (x) uninsurable risks; (xi) operating risks and hazards; (xii) securities of the Company and potential for future equity dilution; (xiii) use of proceeds; (xiv) key personnel; (xv) infrastructure; (xvi) conflicts of interest; (xvii) no history of earnings; (xviii) negative operating cash flow; (xix) acquisition of additional mineral properties; (xx) competition; (xxi) volatility of commodity prices; (xxii) health and safety risks; and (xxiii) tax issues. See “Risk Factors”.

Selected Financial Information

The following table summarizes selected financial information for the period from inception on April 26, 2016 to December 31, 2016 and the three-month period ended March 31, 2017 and should be read in conjunction with the audited financial statements for the period from inception on April 26, 2016 to December 31, 2016 and unaudited financial statements for the three months ended March 31, 2017. See “Management’s Discussion and Analysis” and “Financial Statements”.

| | Three months ended March 31, 2017 (unaudited) | Period from inception (April 26, 2016) to December 31, 2016 (audited) |
|--------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------------|
| Revenue | \$ - | \$ - |
| Net Loss | (81,622) | (21,800) |
| Loss per share (Basic and Diluted) | (0.00) | (0.00) |
| Working Capital Surplus | 2,316,979 | 2,398,601 |
| Assets | | |
| Current assets | 2,318,118 | 2,399,740 |
| Exploration and evaluation assets | 211,500 | 211,500 |
| Total Assets | <u>2,529,618</u> | <u>2,611,240</u> |
| Liabilities | | |
| Current liabilities | 1,139 | 1,139 |
| Shareholders’ Equity | <u>2,528,479</u> | <u>2,610,101</u> |
| Total Liabilities and Shareholders’ Equity | <u>\$ 2,529,618</u> | <u>\$ 2,611,240</u> |

CORPORATE STRUCTURE

The Company was incorporated under the *Business Corporations Act* (British Columbia) on April 26, 2016, with the name Silver Viper Minerals Corp.

The Company's head office is located at 1130-1055 W Hastings Street, Vancouver, B.C. V6E 2E9 and its registered office is located at Suite 704, 595 Howe Street, Vancouver B.C. V6C 2T5.

The Company does not have any subsidiaries.

BUSINESS OF THE COMPANY

Description of Business

The Company is engaged in the acquisition and exploration of mineral properties. The Company currently has an option to acquire a one hundred percent (100%) undivided interest in the Clemente Property. The Clemente Property is comprised of one mining concession covering approximately 6,214 hectares located in the Pitiquito municipality of northwestern Sonora, 52 km south of the city of Caborca in the Caborca-Trincheras region of Mexico. The Company's exploration program will be primarily focused on silver exploration.

Three Year History

Since incorporation on April 26, 2016, the Company's activities have focused on the acquisition and exploration of the Clemente Property.

Acquisition of the Clemente Property

On September 30, 2016, the Company entered into an option agreement, as amended December 2, 2016 (previously defined as the "Clemente Option Agreement") with Riverside Resources Inc. (previously defined as the "Optionor") whereby the Optionor granted the Company an option to acquire a 100% undivided interest in the Clemente Property. In order for the Company to exercise its option, it will be required to:

- (a) pay the Optionor an aggregate of \$750,000 as follows:
 - (i) \$15,000 upon execution of a letter of intent with the Optionor (which amount has been paid);
 - (ii) \$25,000 upon execution of the Clemente Option Agreement (which amount has been paid);
 - (iii) a further \$50,000 on or before December 2, 2017;
 - (iv) a further \$75,000 on or before December 2, 2018;
 - (v) a further \$100,000 on or before December 2, 2019;
 - (vi) a further \$150,000 on or before December 2, 2020; and
 - (vii) a further \$335,000 on or before December 2, 2021;
- (b) issue the Optionor an aggregate of 2,000,000 Common Shares as follows:
 - (i) 1,000,000 Common Shares on execution the Clemente Option Agreement (such shares have been issued);
 - (ii) a further 250,000 Common Shares on or before December 2, 2020; and
 - (iii) a further 750,000 Common Shares on or before December 2, 2021;
- (c) incur exploration expenditures on the Clemente Property as follows:
 - (i) a cumulative total of \$350,000 of exploration expenditures on or before December 2, 2017;

- (ii) a cumulative total of \$850,000 of exploration expenditures on or before December 2, 2018;
 - (iii) a cumulative total of \$1,600,000 of exploration expenditures on or before December 2, 2019;
 - (iv) a cumulative total of \$2,600,000 of exploration expenditures on or before December 2, 2020; and
 - (v) a cumulative total of \$4,000,000 of exploration expenditures on or before December 2, 2021;
- (d) Pay to the Optionor \$46,500 as payment for reduction concession taxes, which shall be applied against required exploration expenditures on the Clemente Property (which amount has been paid); and
- (e) Complete a minimum of 2,500 meters in drilling on the Property before December 2, 2018.

The Company will also be responsible for making all government payments in order to maintain the mineral claims comprising the Clemente Property in good standing. The Optionor will also retain a 2% net smelter return royalty (the “Royalty”) on the Clemente Property. The Company may purchase the full Royalty by paying the Optionor \$4,000,000 on or before December 2, 2021. After December 2, 2021, but before December 2, 2024, the Company may purchase fifty (50%) percent of the Royalty by paying the Optionor \$3,000,000.

For more information about the Company’s proposed exploration of the Clemente property during the current financial year, please refer to “Clemente Property”.

Government Mining Regulations

The Company will be required to comply with all regulations, rules and directives of governmental authorities and agencies applicable to the exploration of minerals in Mexico. Mexico’s mining activities are governed by (i) article 27 of Mexico’s Political Constitution; (ii) the Mining Law; and (iii) the Mining Regulations. There are certain guidelines and official standards that also regulate mining activities in Mexico.

The authority in charge of enforcing the Mining Regulations is the General Bureau of Mining Regulation a branch of the Ministry of Economy. In addition, the Mexican Geological Service is in charge of generating the basic geological information of Mexico. To facilitate the mining activities, the General Bureau of Mining Regulation has established regional offices to which the interested parties may attend mining matters with the authorities.

Mining regulation is of federal nature. Therefore, local or municipal authorities have no influence in those activities.

In order for a Mexican company or person to carry out mining activities in Mexico, a mining concession title must be obtained from the Ministry of Economy through the General Bureau of Mining Regulation and have such title duly recorded with the Public Registry of Mines. By having such title, the concessionaire is entitled to carry out exploration and exploitation activities within the subsoil of the area covered by the concession, which is the property of the nation. Owing to an amendment to the Mining Law, currently, all mining concessions (including the concession comprising the Clemente Property) provide not only for the exploration but also the exploitation of minerals. Likewise, the term of any mining concession is 50 (renewable) years.

Employees

As of the date of this prospectus, the Company has no employees. The Company’s executive officers are independent contractors of the Company. The Company has entered into management consulting agreements with each of Stephen Cope, its Chief Executive Officer and President, Stephen Brohman, its Chief Financial Officer and Dale Brittliffe, its VP Exploration. Under the terms of their respective agreements the Company agreed to pay Mr. S. Cope \$7,500 per month, Mr. Brohman, \$5,000 per month, and Mr. Brittliffe \$7,500 per month as consulting fees. The Company also pays Belcarra Group Management Ltd. \$12,000 per month for administrative expenses, which includes the services of Melissa Martensen, the Company’s corporate secretary.

Trends

There is significant competition for the acquisition of promising properties, as well as for hiring qualified personnel. The Company’s competitors may have more substantial financial and technical resources for the acquisition of mineral concessions, claims or mineral interests, as well as for the recruitment and retention of qualified personnel.

The present and future activities of the Company may be influenced to some degree by factors such as the availability of capital,

governmental regulations, including environmental regulation, territorial claims and security on mining sites. The influence of such factors cannot be predicted.

To the knowledge of the Company, other than what is described in this prospectus, there is no current trend or event that could reasonably influence, in a significant manner, the activities, financial situation or operating results of the Company for the current fiscal year. See “Risk Factors”.

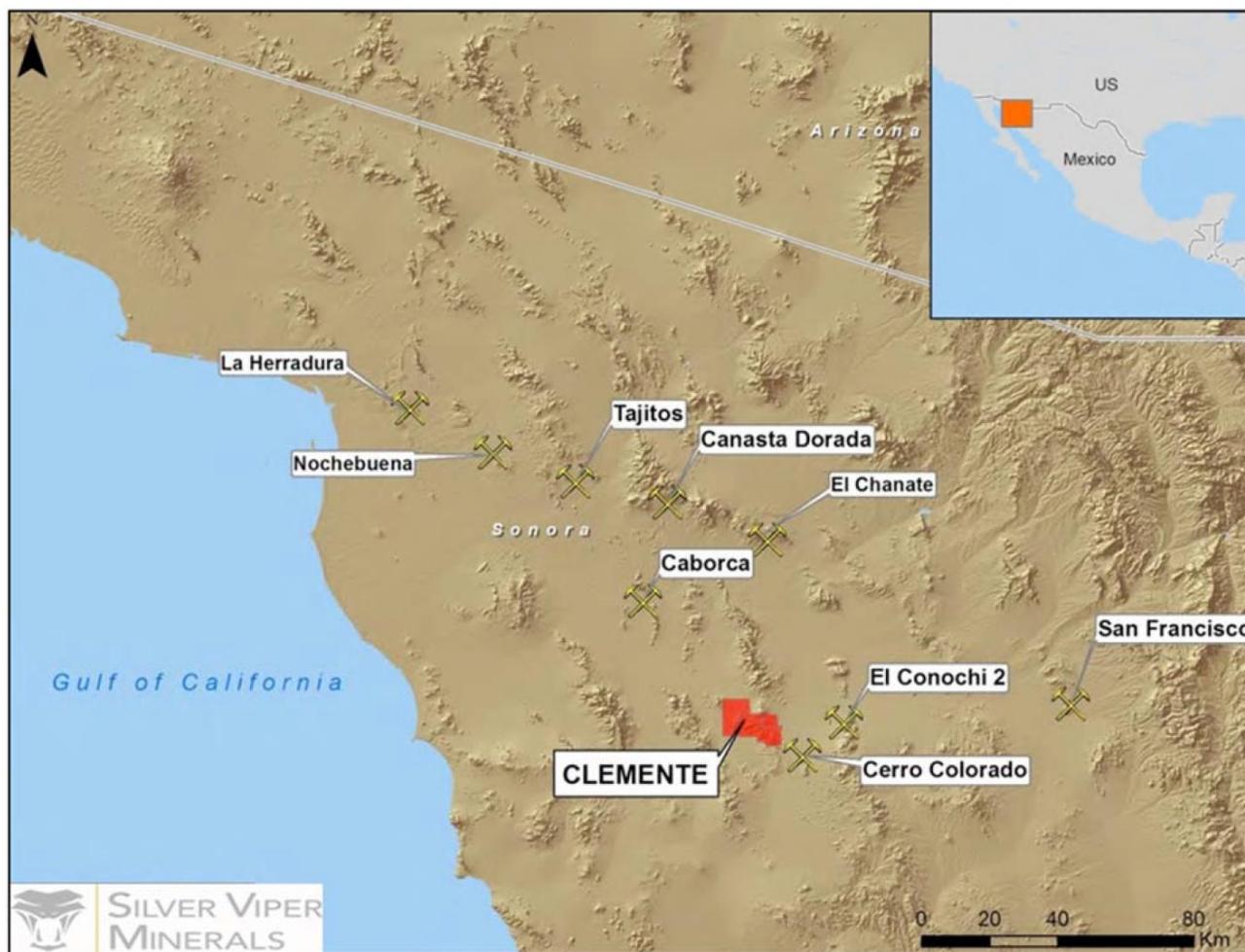
CLEMENTE PROPERTY

The following represents information summarized from the Technical Report on the Clemente Property dated February 21, 2017 (previously defined as “Technical Report”), prepared by George W.G. Sivertz B.Sc., P.Geo. (previously defined as “Qualified Person”), a “qualified person”, as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (previously defined as “NI 43-101”), prepared in accordance with the requirements of NI 43-101. Note that not all of the figures and tables from the Technical Report are reproduced in and form part of this prospectus. The remaining figures are contained in the Technical Report which is expected to be made available under the Company’s profile on the SEDAR website at www.sedar.com.

Property Description and Location

The Clemente Property consists of one mining concession that has a total area of approximately 6,214 hectares and is located in the Pitiquito municipality of northwestern Sonora, 52 km south of the city of Caborca in the Caborca-Trincheras region of Mexico. The center of the Clemente Property mining concession is located at approximately UTM 410,000 m E and 3,352,000 m N (UTM Zone 12N, WGS 84 datum). There is a pre-existing 100-hectare mining concession named the “DK 1” concession in the southeastern quadrant of the Clemente Property. It is owned by a third party and is not part of the Clemente Property mining concession.

Clemente Property Map



On September 30, 2016, the Company entered into the Clemente Option Agreement with the Optionor whereby the Optionor granted the Company an option to acquire a 100% undivided interest in the Clemente Property. In order for the Company to exercise its option, it will be required to:

- (a) pay the Optionor an aggregate of \$750,000 as follows:
 - (i) \$15,000 upon execution of a letter of intent with the Optionor (which amount has been paid);
 - (ii) \$25,000 upon execution of the Clemente Option Agreement (which amount has been paid);
 - (iii) a further \$50,000 on or before December 2, 2017;
 - (iv) a further \$75,000 on or before December 2, 2018;
 - (v) a further \$100,000 on or before December 2, 2019;
 - (vi) a further \$150,000 on or before December 2, 2020; and
 - (vii) a further \$335,000 on or before December 2, 2021;
- (b) issue the Optionor an aggregate of 2,000,000 Common Shares as follows:
 - (i) 1,000,000 Common Shares on execution the Clemente Option Agreement (such shares have been issued);
 - (ii) a further 250,000 Common Shares on or before December 2, 2020; and
 - (iii) a further 750,000 Common Shares on or before December 2, 2021;
- (c) incur exploration expenditures on the Clemente Property as follows:
 - (i) a cumulative total of \$350,000 of exploration expenditures on or before December 2, 2017;
 - (ii) a cumulative total of \$850,000 of exploration expenditures on or before December 2, 2018;
 - (iii) a cumulative total of \$1,600,000 of exploration expenditures on or before December 2, 2019;
 - (iv) a cumulative total of \$2,600,000 of exploration expenditures on or before December 2, 2020; and
 - (v) a cumulative total of \$4,000,000 of exploration expenditures on or before December 2, 2021;
- (d) Pay to the Optionor \$46,500 as payment for reduction concession taxes, which shall be applied against required exploration expenditures on the Clemente Property (which amount has been paid); and
- (e) Complete a minimum of 2,500 meters in drilling on the Property before December 2, 2018.

The Company will also be responsible for making all government payments in order to maintain the mineral claims comprising the Clemente Property in good standing. The Optionor will also retain a 2% net smelter return royalty (the "Royalty") on the Clemente Property. The Company may purchase the full Royalty by paying the Optionor \$4,000,000 on or before December 2, 2021. After December 2, 2021, but before December 2, 2024, the Company may purchase fifty percent of the Royalty by paying the Optionor \$3,000,000.

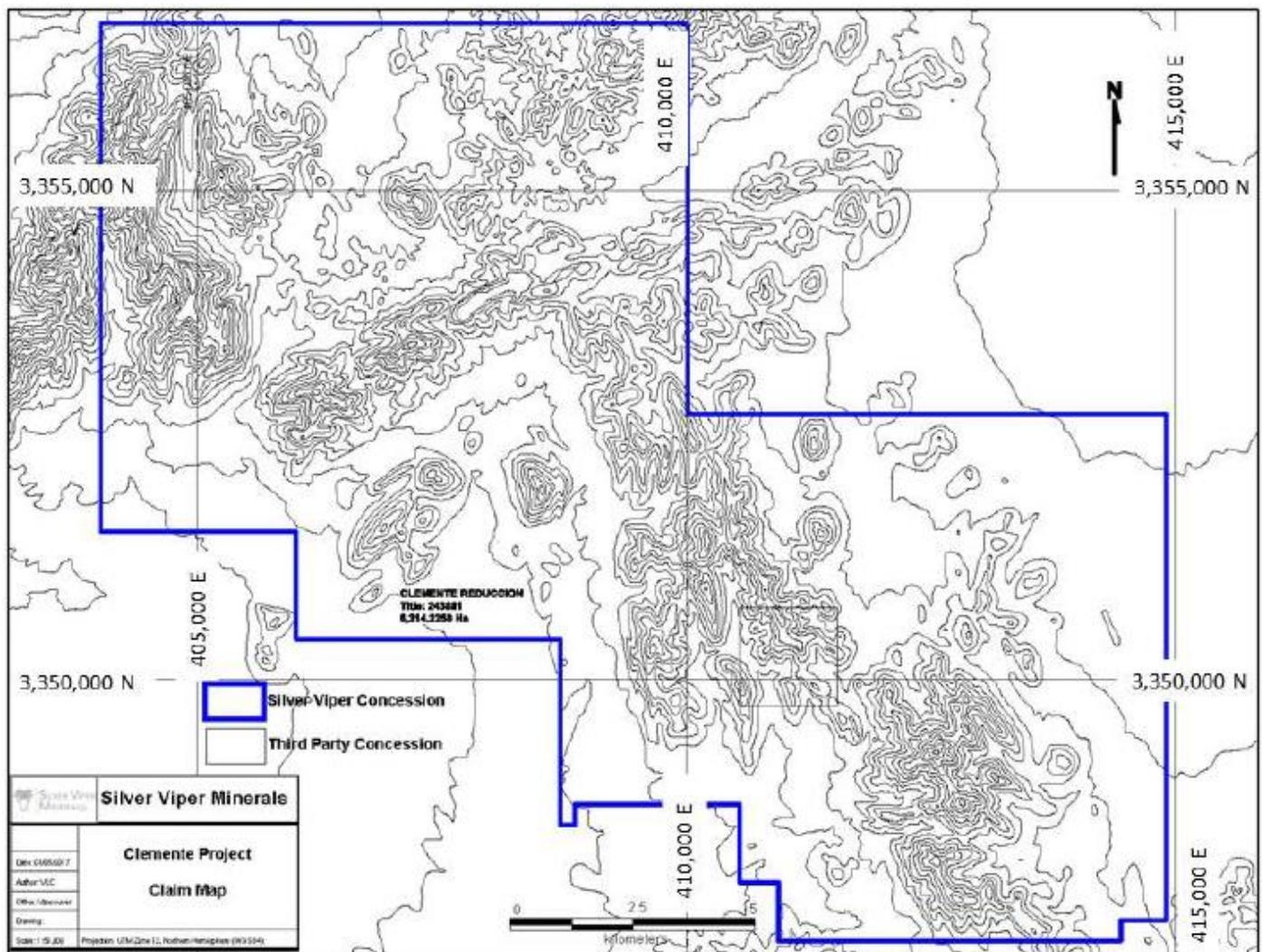
To date, the Company has incurred minimal exploration expenditures on the Clemente Property.

To keep mining concessions current and in good standing, owners must pay annual mining taxes, perform annual assessment work on the concessions, and comply with environmental laws. The Mining Regulations to the Mining Law establish the minimum amount of assessment work that must be performed on a yearly basis.

| Claim Name | Title Number | Hectares | Expiration Date |
|--------------------|--------------|----------|-----------------|
| CLEMENTE REDUCCION | 243881 | 6,214.22 | 2060/07/01 |

No environmental liabilities are known to exist on the Clemente Property. All surface rights are owned by local ranchers. There are numerous historic tunnels, shafts, and prospect pits at the main exploration areas that have been identified at Clemente which are referred to as El Mundo, Nuevo Mundo and Santa Elena. There is also one 30-metre x 60-metre gravel pad at Nuevo Mundo that appears to have served most recently as a catchment for rainwater. Also present at Nuevo Mundo are several disused open concrete tanks, possibly used most recently for water storage. No legal opinion has been sought by the Company to determine if any of these cultural features present an environmental liability.

Clemente Concession Map



Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Clemente Property is accessible by road year-round. From the city of Caborca, access to the Clemente Property is via Federal Highway 2 east to the km 8 marker in Pitiquito city, then 44 km south by gravel road. This road is reasonably well maintained by the Pitiquito municipality and by local landowners, and there are normally no drainage impediments. A vehicle with high ground clearance should be used when driving these roads, since access with low clearance vehicles is problematic and sometimes impossible. Travel time from Pitiquito to the northern border of the Clemente concessions is approximately one hour. The major

airports closest to Caborca are in Hermosillo, the capital city of Sonora, and in Tucson, Arizona, USA. Travel time by road from either of these airports to the Clemente Property is approximately four to five hours.

Local Resources and Infrastructure

Experienced exploration workers, equipment operators and miners live in the local towns of La Cienega, Trincheras, Pitiquito and other small towns throughout the region. Heavy construction equipment and specialized personnel are available in Hermosillo or Caborca. Specialist mining personnel are available throughout Sonora and northern Mexico; Hermosillo is the closest major exploration and mining center.

The State of Sonora has approximately 10,000 km of paved roads and a total road system of about 25,000 km. Additions to the paved portions of the system are ongoing. Rail lines totaling 1,800 km link the major cities in the state. International airlines serve Hermosillo, the state capital.

Sonora has an electrical generating capacity of 1,500 MW and a well-developed power distribution system. Telecommunications in the state are linked to the country's Federally-owned microwave network that connects all the main cities and towns. Water for large-scale farming and city use is primarily provided by large reservoirs, while wells and seasonal reservoirs (tanks) are used in rural areas.

All transportation services including rail are available at Caborca, a city with a population of 70,000 people. Federal Highway 2, a major highway route, passes through Caborca and Pitiquito. Electricity, satellite communications, and water were formerly available at the now idle Cerro Colorado mine, 5 km to the southeast of the Clemente concession block. The present status of these facilities is unknown to the Qualified Person.

There are no sources of water or electrical power on the Clemente Property.

Climate and Physiography

The Clemente Property is located in the Sonoran Desert, to the west of the Sierra Madre Occidental mountain range. The region has typical Basin and Range topography with wide valleys (basins) separated by northwest-trending mountain ranges. The Clemente Property covers parts of several low mountain ranges and the adjoining valleys. Elevations range from 465 metres in the lowest valleys to approximately 735 metres on the peak of Cerro Clemente. Drainage from the ranges is by steep gullies that form alluvial fans at the margins of the valleys. Overburden is generally shallow on the upper mountain slopes but can be deep in the alluvial fans on the lower mountain slopes and in the valleys.

The climate is typified by mild winters and hot summers. Temperatures in the summer can vary up to 40°C, while winter temperatures are much cooler, reaching overnight lows down to 0°C. There is a major rainy season or monsoon rainy season from July to October, and occasional rainy periods during the winter months. Average annual precipitation is 250 mm. Although it can become uncomfortably hot in the summer, field work, exploration, and mining activity can continue year round.

Vegetation in the area is typical of the Sonoran Desert. In the ranges, where there is more rainfall, there are abundant saguaro, cholla, barrel and other cactus, ocotillo, mesquite, ironwood and palo verde trees, and abundant thorny shrubs. Vegetation in the drier basins is locally sparser; there can be dense groves of cholla cactus in areas with carbonate-rich soil, but in general the plants are more widely-spaced than in the ranges, with fewer cactus species but more creosote and rabbitbush, stunted mesquite trees and hardy low-growing shrubs. The desert vegetation, apart from its formidable defenses of spines and thorns, poses no obstacle to field work.

History

There is abundant evidence of historic artisanal mining work on the Clemente property, although there are no written records of the previous workers or their activities. The artifacts remaining on the property (plastic hoses, truck parts, cinder blocks, discarded pneumatic drilling equipment and an assortment of concrete tanks) indicate that the last operations were probably quite recent. Numerous tunnels, adits, shafts, and prospect pits pepper the concession, especially in the El Mundo and Nuevo Mundo mine areas. A gravel pad about 60 metres long is present at the Nuevo Mundo mine area, as well as several concrete and cinder-block water tanks. Despite its history of artisanal mining, the Clemente property has no current or historical inferred, indicated or measured mineral resources, and has no recorded historical mineral production.

Riverside acquired the Clemente Property by staking in March 2010. The Clemente Property area was originally identified as a possible exploration target through the use of an exploration model that incorporated publicly available mineral databases, a confidential Riverside internal database, ASTER remote sensing analysis, regional geologic interpretation, and field examinations.

Since 2010, Riverside has completed a multi-phase exploration program on the Clemente Property. This included geologic mapping, geochemical sampling, ground magnetics and ASTER data analysis in order to define zones of anomalous gold and trace element geochemistry as well as areas showing textural and vein characteristics of epithermal systems. Academic thesis studies of the Clemente area were completed in 1982 and 1988.

Sampling

Geochemical sampling completed by Riverside at the Clemente Property involved the collection of 442 rock samples and 96 stream sediment samples. Rock chip samples were collected as continuous chip, grab, and select samples. Grab rock geochemical samples were collected to help to understand the background geochemistry of the various rock units across the Clemente Property.

Continuous chip samples were taken to test metal distribution and approximate overall grades within areas of known mineralization. They were collected perpendicular to the host structures where possible and were cut across the full width of accessible mineralization. In the mine working exposures, samples were generally cut to cross the stratigraphy or were taken across mineralized structures exposed in mine pillars, backs, and faces.

In the opinion of the Qualified Person, the Riverside sampling provides a good general representation of the Clemente mineralization and serves as a good base for further exploration. The quality of the Riverside sampling work is excellent; sample sites are clearly marked with paint, metal tags and plastic flagging. The assay results from sequential rounds of sampling from the same sample sites agree well, indicating consistent sample collection techniques. Selected samples taken to test for the presence of high-grade silver-gold mineralization at specific points are noted and described as “select” in the Riverside sample database.

ASTER

A multi-phase ASTER study was completed with property-wide alteration analysis using VNIR, SWIR, and TIR spectral wavelengths. A follow-up site visit by remote sensing specialist Telluris Consulting and Riverside geologists was then completed in order to examine the sites of the ASTER anomalies. The visit focused on detailed zonal studies of variably altered outcrops which led to subsequent reprocessing of the ASTER data with incorporation of the new field data. Field mapping of anomalous areas and field hand sample collection of highly, moderate, and weakly altered and fresh rock was then completed to test samples using Terraspec spectral analysis.

There is abundant evidence of past mining work on the Clemente Property, although there are no written records of the previous workers or their activities. The artifacts remaining on the Clemente Property (plastic hoses, truck parts, cinder blocks, discarded pneumatic drilling equipment and an assortment of concrete tanks) indicate that the last operations were probably quite recent. Numerous tunnels, adits, shafts, and prospect pits pepper the Clemente Property, especially in the El Mundo and Nuevo Mundo mine areas. A gravel pad about 60 metres long is present at the Nuevo Mundo mine area, as well as several concrete and cinder-block water tanks.

Geological Setting and Mineralization

Regional Geology

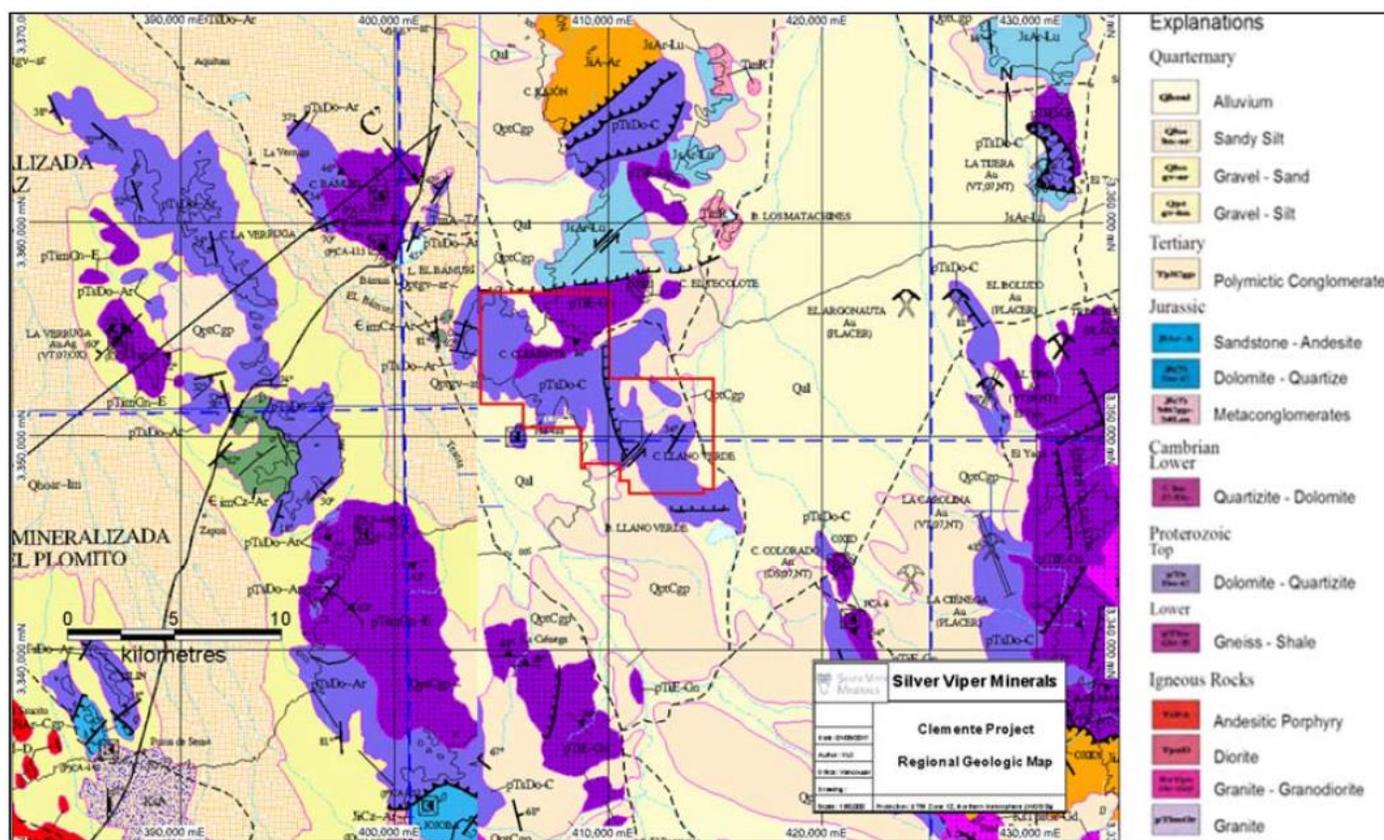
The Clemente Property lies in the Basin and Range province of Sonora, which occupies the western portion of the state (west of Federal Highway 15). The Basin and Range province consists of widely spaced mountain ranges, the result of mid-to late-Tertiary high-angle listric faults or earlier low-angle/detachment faulting. These ranges contain a majority of the older Precambrian and Mesozoic rocks found in the state. The majority of the gold systems in this province have a structural component involving a combination of high and low angle faulting (e.g., La Choya, Cerro Colorado, and Quitovac).

The western half of Sonora contains a diverse suite of rock types spanning various ages. The Precambrian of Sonora is divided by the Mojave-Sonora mega-shear. Mineral deposits related to this tectonic event are La Choya, La Herradura and San Francisco. North of this shear, the Precambrian consists of schists overlain by weakly metamorphosed dolomites and sandstones. To the south, basement rocks consist of coarse-grained granitic rocks and lesser lower-grade metamorphic rocks. Paleozoic rocks are less widespread in Sonora and consist mainly of quartzite, limestone, shale, and dolomite.

The Mesozoic era was the most important from the standpoint of economic geology. During the Triassic and Jurassic periods, a relatively thick pile of sediments was deposited. Following the deposition of these sediments large granitic batholiths were emplaced. By the early Cretaceous, tectonic plate movement produced the Mojave-Sonora megashear. Chemically reactive carbonate units, especially the Cretaceous Bisbee Group, were deposited during middle Cretaceous time. Late Cretaceous marks the onset of the Laramide tectonic-igneous event. This orogenic event resulted in the intrusion of igneous rocks, development of volcanic piles, structural preparation of host rocks, and provided structural heat sources for the formation of major metallic deposits. The Cenozoic

saw the continuation of Laramide volcanism and intrusions and the formation of the major copper porphyries at Cananea and Nacozari. During the mid-Tertiary large scale ash flow tuff eruptions created the High Plateau Province. The final igneous event took place in the far western portion of the state and consists of basaltic volcanism.

Clemente Regional Geologic Map



Property Geology

Sedimentary rocks in the Clemente area formed during the Precambrian and Paleozoic. The stratigraphy here has been well studied, and proves to be conformable, apparently as part of the allochthonous Bamori Metamorphic Complex at Cerro El Tecolote. In this area, the Bamori complex of metasediments is cut by a number of thrust faults that are part of the structural control within the area and an exploration guide for deposits. The sedimentary sequence is composed of dolomite, siltstone, sandstone, quartzite, and conglomerate. These host rocks have seen two periods of thrust faulting, an episode of folding, and extensional faulting.

Host Rocks

The host rocks of the mineralization on the Clemente concession are Proterozoic plutonic and metamorphic basement overlain by Proterozoic and Cambrian metasediments. Mineralization occurs mainly in the Proterozoic granite of the Bamori Metamorphic Complex and in the unconformably overlying dolomitic Caborca Formation, also of Proterozoic age. The rocks in the Clemente Property area have been described in general in the text accompanying the El Prieto geologic map that covers the area, and in detail in two academic theses. An understanding of the stratigraphy of the Clemente Property is crucial to locating faults that could potentially host and offset mineralization; distinctive sedimentary horizons provide marker beds.

Bamori Metamorphic Complex

The oldest rocks on the Clemente Property are a suite of Proterozoic plutonic and metamorphic rocks assigned to the Bamori Metamorphic Complex, dated at 1,600 – 1,750 Ma. Regionally, the Bamori complex consists of greenschist to amphibolite grade metasedimentary and igneous rocks. In the Clemente Property area, the Bamori rocks consist dominantly of layered granite with subordinate gneiss and schist. The granite is one of the two principal host rocks for mineralization on the Clemente Property. The granite is reddish-brown to greenish-gray and medium grained, containing potassium feldspar (40-60%) and quartz (30%) with minor plagioclase (5-25%) and mafic minerals; moderately chloritized biotite and hornblende (5-10%) and accessory magnetite (12%).

The magnetite content accounts for the strong magnetic signature of the granite in both regional air and ground magnetic surveys. Plagioclase weathers light gray to white, giving the rock a spotted texture. Generally medium-grained, the granite has coarser portions, in some cases approaching pegmatite. Subtle compositional layering is formed by 1-10 cm layers relatively richer in mafic minerals, which in some places traces folds in the granite; compositional layering gives a foliated appearance to the rock, although true mineral-parallel foliation has not been observed. Many dikes cutting the granite; a very fine-grained dark green to brown gabbro has been noted that contains ≤ 0.5 mm plagioclase phenocrysts and ≤ 20 cm angular to sub-rounded xenoliths of granite.

El Arpa Formation

Although a thicker formation in other places in the area, the El Arpa Formation is largely absent in the Clemente area. It is a pale yellow to whitish sequence of thin-bedded quartzite, sandstone, and siltstone sandwiched by a basal sandstone and upper thin-bedded sandy dolomite. It lies unconformably on the metamorphic basement.

Caborca Formation

The Proterozoic Caborca Formation is the other principal host rock for mineralization at Clemente. The Caborca Formation unconformably overlies the Bamori granite. In both principal exploration areas (El Mundo and Nuevo Mundo), mineralization occurs in dolomite of the Caborca Formation. The formation was reported as a 106 metre thick sequence of gray to brown dolomite with thin beds of fine-grained sandstone. It is a relatively resistant unit, and underlies hills and steep slopes; it may also be a more brittle unit in the stratigraphic sequence in which fracturing and therefore veining may have occurred preferentially. The Caborca Formation is divided into four units, from bottom to top: 1) 58 metres of basal gray thin-bedded dolomite with minor sandy dolomite and fine-grained brown sandstone; 2) 12 metres of interbedded gray to brown dolomite and thin-bedded fine-grained sandstone; 3) 24 metres of dark gray thick-bedded dolomite interbedded with thin-bedded brown sandstone and containing white chert layers; 4) 12 metres of brownish-red thick-bedded dolomite.

Clemente Formation

Conformably overlying the Caborca Formation, the Proterozoic Clemente Formation consists of a 180 metre thick coarsening-upward sequence of interbedded siltstone, sandstone, conglomerate and dolomite. Distinguishing features include a 60 metre thick basal grayish-red siltstone containing detrital mica, and beds of distinctive red to orange quartz-clast conglomerates. The dolomite in this section has an orange weathering color not seen in the underlying Caborca Formation.

Pitiquito Quartzite

This Proterozoic formation resists erosion and crops out strongly in the hills on the Clemente Property. It forms an excellent marker bed. About 48 metres thick, it consists of dark brown sandstone and massive white to pink clean arenaceous quartzite.

Other Proterozoic Strata

Overlying the Pitiquito Formation is another 660 metres of Proterozoic sediments. They consist of the following formations, from bottom to top:

- Gazuma Formation: brown-gray resistant dolomite; 140 metres thick;
- Papalote Formation: light gray ridge-forming dolomite; 390 metres thick; and
- Tecolote Quartzite: white to light pink quartzite interbedded with brown sandstone; 130 metres thick.

Cambrian Strata

Overlying the Proterozoic sediments is a 1,200 metre thick sequence of Cambrian sediments. From bottom to top, the units are:

- La Cienega Formation: interbedded dolomite, sandstone, and quartzite; 143 metres thick;
- Puerto Blanco Formation: various rock types including volcanics, volcanoclastics, conglomerate, quartzite, siltstone, and limestone; a recessive unit; 625 metres thick;
- Proveedora Quartzite: massive white to pink ridge-forming quartzite; 225 metres thick;
- Buelna Formation: recessive limestone, sandstone, and quartzite; 80 metres thick; and
- Cerro Prieto Formation: massive cliff-forming gray limestone; greater than 100 metres thick.

Penjamo Porphyry

An intrusive diorite porphyry was mapped just over one kilometre southeast of the Clemente Property, reporting it as a coarse-grained plagioclase-biotite-diopside diorite porphyry dated at 423 Ma.

Mineralization

Mineralization

Metallic mineralization at the Clemente Property is hosted by quartz-sulfide veins, hematite-specularite-quartz veins, and breccias. Silver-bearing sulfide and oxide mineralization occurs in breccias and both types of veins and is accompanied by gold, copper, lead, and zinc.

The most common hosts to mineralization are narrow veins containing variable amounts of red hematite, specular hematite, and quartz. The most common vein mineral is earthy red hematite. Patches and veins of specularite also occur, indicating that supergene red hematite is likely the weathering product of hypogene specularite. Larger veins have proportionally greater amounts of quartz and lesser hematite. Many veins contain vugs and open-space fillings of crystalline quartz and calcite. Hematite-specularite-quartz veins occur as individual veinlets, or in zones of parallel sheeted veinlets, or in networks of cross-cutting veinlets that form stockwork zones. Larger veins ranging up to two centimeters thick are scarce.

The veins have a variety of attitudes, but the majority strike either northwest or northeast. Most have steep dips (60-80°). All veins have envelopes of hematite alteration, in both granitic and carbonate wall rock. These range from millimeter-scale envelopes around individual veins to bulk hematite alteration in wider zones of vein stockwork. Hematite-altered wall rock contains up to 30% disseminated sulfide minerals. Hematite-specularite veins are found in both Bamori granite and dolomite of the Caborca Formation.

Hematite-specularite breccia has not been observed in outcrop, but many samples are present in mine dumps. The breccia is composed of 0.1-3-cm angular fragments of white quartz in a red hematite and specularite matrix, accompanied by vugs filled with quartz and calcite. Hematite-specularite-quartz veins cut quartz-sulfide veins, and hematite-specularite breccia contains fragments of white quartz veins, so it appears that specularite-dominant veins post-date quartz-sulfide veins.

Alteration

The dominant types of alteration are hematite alteration and recrystallization of dolomite. Minor silicification and clay alteration of granite are also present. Recrystallized dolomite is common in the three main exploration target areas.

Clay alteration occurs in the Bamori (Aipo) granite in the Nuevo Mundo area. Clay alteration is not widespread, and is generally weak to moderate where present. Locally-Intense clay alteration of fresh red-brown granite has changed its appearance to a pale buff color. It is not clear whether the clay alteration in granite is the result of hydrothermal alteration, or the result of surface weathering aided by acid generated by the oxidation of sulfide minerals.

Geochemistry of Mineralization and Alteration

In qualitative geochemical terms, silver-gold mineralization is associated with elevated levels of Cu, Pb, Zn, As, Sb, and Cd.

Deposit Types

The styles of mineralization at Clemente have not been thoroughly studied. The mineralization is thought to display characteristics of both orogenic gold deposits and low intermediate sulfidation epithermal gold-silver deposits.

Orogenic Gold Deposits

Orogenic gold deposits form near or soon after peak metamorphism in collisional metamorphic terranes of all ages. Displaying strong structural control in 2nd and 3rd order brittle faults and ductile shear zones as quartz-dominated stockworks, breccias, sheeted veins, vein arrays, replacements, and disseminations, most deposits formed at greenschist facies (250-350°C, 1-3 kbar, 2-20 km deep) in compressional-transpressional settings at convergent plate margins near 1st order deep crustal fault zones with complex structural histories, especially where these faults change direction.

Orogenic gold systems can be significant in size; the largest can measure up to 2-10 km long, 1 km wide, and 2-3 km deep and contain some of the planet's largest concentrations of gold.

Gold occurs in quartz veins and altered wall rock, with generally high gold to silver ratios and high gold fineness; gold is accompanied generally by 2-5% sulfides. Historically, high grade veins have been exploited (5-30 g/t), but many deposits comprise large volumes of lower-grade, bulk-mineable minerals. Alteration consistently adds CO₂, S, K, H₂O, SiO₂ to wall rocks in the form of carbonates (ankerite, calcite, dolomite), sulfides (pyrite, arsenopyrite, pyrrhotite), and silicates (muscovite, biotite, K-feldspar, albite, and chlorite); scheelite and tourmaline are common.

Mineralization at Clemente has some features characteristic of orogenic gold deposits. These include banded quartz-dominant veins and mineralized veins locally containing elevated levels of arsenic, bismuth, antimony and tungsten. At Clemente, silver-gold-lead-zinc-copper veins occur in high-angle, low-angle and thrust faults in Proterozoic rocks. If Clemente contains orogenic deposits, its geology is unusual in that it appears to lack the potassic alteration typical of most orogenic gold deposits, and its veins contain high levels of silver and base metals.

The Clemente Property is located in a mineral belt with major orogenic gold deposits, including La Herradura, El Chanate, La Choya, and San Francisco. Clemente has certain structural similarities in common with some of these deposits. In particular, Clemente displays structural similarities to El Chanate, which is located approximately 50 km to the north. El Chanate is an orogenic gold deposit hosted by sedimentary rocks cut by a low-angle fault. Mineralization consists of quartz-bearing veins and veinlets, which attain economic grades where dense swarms of these structures occur at or near intersections between low-angle and higher-angle faults.

Low-Intermediate Sulfidation Epithermal Gold-Silver Deposits

Low-intermediate sulfidation deposits often contain silver and gold with variable amounts of base metals, and they commonly have the form of steeply dipping veins. In the Americas most deposits are Tertiary-age or younger. Low-sulfidation epithermal deposits characteristically contain quartz, with carbonate, barite, adularia or illite gangue and alteration minerals. Metallic minerals may include electrum, acanthite, silver sulfosalts and variable amounts of sphalerite, galena, chalcopyrite, and pyrite. Vein features such as banded-crustiform, colloform, lattice, and drusy textures indicate a dominance of open fissures at the time of formation. Wall-rock alteration is commonly zoned inwards from propylitic through clay-carbonate-zeolite to quartz-adularia-illite-pyrite. Ore-forming fluids typically are of low- to moderate salinity, dominated by meteoric waters with little or no magmatic contribution. Precipitation of vein and ore minerals resulted from changes in pH caused by varying episodes of boiling, fluid mixing, and cooling.

Mineralization at Clemente displays some characteristics of low-sulfidation or intermediate-sulfidation epithermal deposits, including elevated silver, gold, lead, zinc, copper and antimony contents. Open-space-filling textures and angular breccias at Clemente are consistent with an epithermal origin.

Exploration Model

The structural styles of the mineralized features at Clemente are thought to be similar to the nearby Cerro Colorado deposit and to orogenic gold deposits of the district such as El Chanate. The geochemistry of the Clemente mineralization appears to be similar to that of many of the well-known low-to-medium sulfidation silver-gold mines of the historic silver camps of northwestern Mexico.

The specific deposits used to model Clemente are Cerro Colorado and El Chanate. In both of these deposits, gold mineralization is concentrated at the intersections of relatively lower-angle and higher angle structures. In the case of Cerro Colorado, mineral shoots formed where shallow to moderately dipping lithologic contacts and east-northeast-striking faults intersect higher-angle northwest-striking faults. These faults are a component of a strong northwest lineament in the area. The principal Clemente target areas lie several kilometres to the northwest of Cerro Colorado.

Exploration

Work previously completed by Riverside has identified several promising target areas warranting follow-up exploration. Riverside collected 442 rock samples and 96 dry-stream sediment samples.

Apart from a minor check sampling program by the Qualified Person, at the time of writing the Technical Report, the Company has not undertaken any exploration work at Clemente.

Three main exploration areas have been identified at Clemente, named El Mundo, Nuevo Mundo and Santa Elena. In addition the Clemente Property has good potential for additional discoveries.

Nuevo Mundo Mine Area

In the Nuevo Mundo area, silver-lead-zinc mineralization has been found within a target area (or “box”) measuring approximately 1.5 kilometres north-south x 1.5 kilometres east-west. There are two abandoned mines and numerous open cuts, pits, and shallow underground workings. For the purposes of the Technical Report, the mines are informally named the “Diamondback” mine and the “Red” mine. The principal mineralized structures exposed in these mines strike north-west and northeast respectively.

The main access tunnel of the Diamondback mine is open and accessible to a point approximately 120 metres north-west from the portal, where the entire mine has caved in. The main mineralized vein-fault structure strikes north-northwest to north-west and dips

25 to 40 degrees to the west-southwest.

Riverside personnel that first entered the workings in 2010 report that the mineralized structure steepens gradually down the dip to the west-southwest. The stopes that are still open extend 20 to 30 metres up-dip, and approximately 30 metres down-dip, where they are now filled with caved rock. They are now from two to five metres high but they are actively caving in, so it is difficult (and unsafe) to attempt to ascertain what their dimensions were when they were being mined.

On surface there are several open-cuts along a 140 metre north-west trend parallel to the main tunnel that appear to mark the locations of mining stopes that had once been open to the surface. All these open-cuts or stope entrances are now filled with caved rock, but were cut in once-solid bedrock, and substantial effort would have been required for their construction.

The two main openings of a second mine (the “Red”) are located on the steep northwest facing side of a ridge, approximately 150 metres south-east of the Diamondback portal. Both openings are narrow, steeply-inclined open shafts that were sunk on a complex vein-fault with splays that strike east to east-northeast and dip 70 to 80 degrees to the south-east. The rock in the waste-rock dumps adjacent to both shafts are bright red-brown in color, due to the presence of abundant red hematite.

The Diamondback and Red vein-faults are interpreted by the Qualified Person to intersect in a low brush-choked saddle centered about 60 metres southeast of the Diamondback portal. Judging by the number of pits, open-cuts, short adits and piles of waste-rock in this area, the former miners thought so as well. Because of the heavy brush and the presence of rattlesnakes, the Qualified Person did not attempt to examine this area thoroughly, but the assay results from samples from a few of the rock exposures indicate that silver-base metal mineralization is present here. This area is a high-priority exploration target, since it is believed to be the intersection point of two vein-faults with nearly-orthogonal strike directions.

| Method | Au-AA23 | Ag-GRA22 | Multielement 4-acid ME-MS61 | | | | Overlimit Assays ME-OG62 | | | |
|-----------|----------|----------|-----------------------------|----------|----------|----------|--------------------------|--------|-------|------|
| Sample ID | Au (ppm) | Ag(ppm) | Ag (ppm) | Cu (ppm) | Pb (ppm) | Zn (ppm) | Ag (ppm) | Pb (%) | Zn(%) | |
| 557786 | 0.77 | 696 | >100 | 3,770 | >10,000 | >10,000 | 727 | 1.28 | 5.73 | |
| 557787 | 0.12 | 30 | 34.7 | 256 | 1,605 | 4,220 | | | | |
| 557788 | 0.05 | 34 | 49.6 | 243 | 1,390 | 1,120 | | | | |
| 557789 | 0.02 | 9 | 10.9 | 1,050 | 260 | 6,680 | | | | |
| 557790 | 0.14 | 16 | 17.3 | 307 | 3,160 | 578 | | | | |
| 557791 | 0.13 | 54 | 57.0 | 183 | 8,570 | >10,000 | | | | 1.26 |
| 557792 | 0.24 | 17 | 18.65 | 36 | 3,780 | 259 | | | | |

El Mundo Area

The El Mundo target area is centered on an abandoned and largely caved underground mine. The principal structure is a vein-fault striking 355° and dipping 65° SW. This mineralized structure was mined over widths of 2.5 to 3.5 metres along a strike length of at least 70 metres. It is hosted in Proterozoic dolomite and quartzite. The vein-fault exposed in the presently-accessible (but unstable) section of the mine contains gold-silver mineralization accompanied by iron and copper sulfides in a gangue of limonite, goethite, and copper carbonates in recrystallized dolomite. The mine is judged by the Qualified Person to be dangerously unstable, and the present conditions preclude detailed sampling.

The best of three samples taken by Riverside from mineralized mine pillars returned assays of 5,554 ppb Au, 2,108 g/t Ag, 0.22% Cu, 2.7% Pb, and 2.7% Zn. Two contiguous check samples taken by the Qualified Person from the Riverside sample sites graded 2,280 g/t silver with 4.46 g/t gold (across 50 cm), and 802 g/t silver with 1.83 g/t gold (across 1.0 m). The waste-rock dump at the mine is cut by a streambed and has been disturbed by informal miners searching for discarded high-grade material, but the Qualified Person estimates that it still contains approximately 10,000 cubic metres of rock waste. Since the bulk of the minerals mined from the workings was removed from the mine site, the Qualified Person believes that the large volume of mine waste still present indicates that the mine must have had underground workings that extended below the valley floor and are now caved to the present surface. The Qualified Person’s selected composite sample of visibly-altered and mineralized rock fragments from the dump assayed 1,665 g/t silver and 4.22 g/t gold.

| Method | Au-AA23 | Ag-GRA22 | Multielement 4-acid ME-MS61 | | | | Overlimit Assays ME-OG62 | | |
|-----------|----------|----------|-----------------------------|----------|----------|----------|--------------------------|--------|-------|
| Sample ID | Au (ppm) | Ag(ppm) | Ag (ppm) | Cu (ppm) | Pb (ppm) | Zn (ppm) | Ag (ppm) | Pb (%) | Zn(%) |
| 557781 | 4.46 | 1,895 | >100 | 2,280 | >10,000 | >10,000 | >1,500 | 1.96 | 1.62 |

| | | | | | | | | | |
|--------|------|-------|------|-------|---------|---------|--------|------|------|
| 557782 | 1.83 | 780 | >100 | 527 | 7,340 | >10,000 | 802 | | 2.23 |
| 557783 | 4.22 | 1,650 | >100 | 2,470 | >10,000 | >10,000 | >1,500 | 1.63 | 6.63 |

Santa Elena Area

The Santa Elena mineralized area lies in the southeastern section of Clemente about eight kilometres south-east of the Nuevo Mundo area. Santa Elena is nine kilometres north-west of the Cerro Colorado mine. Topographically, the area is dominated by a north-trending chain of low hills at the western edge of a wide, flat-floored valley. The hills are underlain by Proterozoic-age dolomite, quartzite, sandstone and siltstone. The most important of these units are Caborca Formation dolomite, Clemente Formation sandstone and siltstone, and Pitiquito Quartzite.

At least four thrust faults and one normal fault cut the metasedimentary sequence; most of these strike north to north-northwest and have low to moderate dips to the west, sub-parallel to the bedding (Westerfield,1988). In the northern part of the Santa Elena mineralized area there are three silver-gold base metal showings along the traces of one or more closely-spaced thrust faults. The showings crop out along a strike length of 500 metres and are marked by old workings and waste-rock dumps. There is another similar showing located 1,200 metres south of the northern group of showings, on the south side of a large alluvial valley.

The tenor of the Santa Elena mineralization is encouraging. The average grade of a suite of nine samples collected by Riverside and the Qualified Person from the three northern showings described above is 781 g/t silver and 0.31 g/t gold.

| Method | Au-AA23 | Ag-GRA22 | Multielement 4-acid ME-MS61 | | | | Overlimit Assays ME-OG62 | | |
|-----------|----------|----------|-----------------------------|----------|----------|----------|--------------------------|--------|--------|
| Sample ID | Au (ppm) | Ag(ppm) | Ag (ppm) | Cu (ppm) | Pb (ppm) | Zn (ppm) | Ag (ppm) | Pb (%) | Zn (%) |
| 557778 | 0.26 | 961 | >100 | 7,320 | >10,000 | >10,000 | 909 | 1.59 | 3.64 |
| 557779 | 0.58 | 765 | >100 | 7,550 | >10,000 | >10,000 | 817 | 3.23 | 0.96 |
| 557780 | 0.32 | 470 | >100 | 5,970 | 5,830 | 1,670 | 624 | | |

Drilling

No drilling has been done on the Property.

Sampling Preparation, Analysis and Security

In December 2016 Riverside provided the Qualified Person access to geochemical data from rock and stream sediment samples from the Clemente property. Most of the samples were collected in the year 2010. Riverside also provided the Qualified Person with a brief summary of its sample handling assaying procedures.

According to Riverside, no sample preparation was done before sample shipment. Samples delivered to the Inspectorate America Corporation facility in Hermosillo, Sonora, Mexico were assigned a bar code, dried, weighed and crushed until 70% of the sample passed a 2-mm screen. From this portion of the sample, a 250-gram portion was pulverized until 85% passed through a 75- μ m screen. The pulp was then shipped by bonded carrier to the Inspectorate analytical laboratory in Sparks, NV, USA. In Sparks a 30-gram portion of the sample was assayed for gold using a standard fire assay method with the final gold determination made by AAS (atomic absorption spectrometry). Many of the sample pulps were also analyzed for a suite of 30 elements including Ag, Pb, Zn and Cu by ICP-AES, a standard recognized analytical method. Any samples that were found to contain in excess of maximum detection limits were re-assayed using standard analytical techniques to determine metal content more precisely.

Riverside included a total of 38 quality-control samples in its sample stream of 442 rock-chip and 96 stream-sediment samples, including 22 standards, 15 field blanks, and one field duplicate. Standards for gold were purchased from Rocklabs, of Auckland, New Zealand (OxA71, OxA89, OxE56 OxD73, OxD87, OxJ36, OxJ68) and from CDN Resource Labs in Vancouver, BC (STD-ME12). These quality-control samples made up 7% of the total number of samples.

It is the opinion of the Qualified Person, based on the information available, the sample collection methods, security, analysis, and quality control were adequate.

The Qualified Person collected thirteen confirmation rock samples from the Clemente Property during his field examination. The sample sites were marked with numbered aluminum tags. The samples were kept in the possession of the Qualified Person up to the point of their delivery, along with a single lab-prepared blank sample, to ALS Mineral Laboratories preparatory facility in

Hermosillo, Mexico.

Upon receipt, each sample was weighed and registered using digital bar-code scanning system. Samples were crushed to 70% passing 2mm, riffle split, one quarter of which separated and pulverized to 85% passing 75µm.

The pulverized samples were shipped to and analysed by ALS Minerals' North Vancouver laboratory. Requested analyses included:

Multi-element (33 element) analysis by 4 acid digest ICP-AES/MS finish on 0.25 gram nominal weight (Lab Code ME-MS61)

- Au by fire assay with AAS finish - 30 gram nominal weight (Lab Code Au-AA23),
- Ag by fire assay Gravimetric finish – 50 gram sample (Lab Code Ag-GRA22)

In several cases overlimit thresholds were triggered, those samples were then re-run by ore-grade 4 acid digest, ICP-AES (Lab Code ME-OG62).

A single coarse blank (#557784) was inserted, immediately following a suspected high grade sample in the sequence. This sample returned barren values for gold and silver.

In addition, the analytical laboratory conducted internal quality control and quality assurance procedures.

It is the opinion of the Qualified Person that the sample collection methods, security, analysis, and quality control of the confirmation batch are sufficient for the purposes of the Technical Report, namely confirming precious metal grades of previously identified outcrops and showings.

Rock chip sampling conducted by the Qualified Person was designed to provide independent confirmation of geochemical sampling generated during Riverside's 2010-2014 exploration work. The sampling focused on three key areas of workings and showings, El Mundo (3 samples), Nuevo Mundo (7 samples) and Santa Elena (3 Samples). In the three cases, reported sample grades approximately reproduce expected values based upon Riverside's database. The Qualified Person considers these values sufficient to confirm the presence of precious mineralization warranting follow up exploration.

Mineral Resource and Mineral Reserve Estimates

There are no mineral resource or mineral reserve estimates on the Clemente Property.

Interpretation and Conclusions

The Clemente Property has excellent exploration potential for structurally-controlled silver-gold-base metal mineralization. It lies within a region of important structurally controlled gold deposits. The Clemente Property has three prospects that are the sites of formerly producing silver-gold mines. The old mining areas themselves are the best evidence of the existence of mineralized low-medium-angle and high-angle fault structures, and all three have the potential to host mineralization. The diamond drill could be an effective tool for the exploration of the old mine areas, allowing the full width and extent of the partially-mined structures to be thoroughly tested. Based on the Qualified Person's own Clemente Property examination and based on the results from the exploration work completed on the Clemente Property by Riverside, the Qualified Person believes that the Clemente Property has proven merit to warrant further exploration work.

Exploration and Development

The Clemente Property exploration results to date are encouraging. There are structural geological similarities between Clemente and the El Chanate and Cerro Colorado gold deposits. The geochemistry and textures of the mineralized veins and vein-faults at Clemente are similar to those of many of the well-known silver-gold deposits in northwestern Mexico. The three main showings described in the Technical Report are drill ready and the Technical Report recommends diamond drill testing of all three immediately, independent of any additional fieldwork. The Clemente Property is highly prospective and notwithstanding the three existing drill targets, the property warrants a concurrent programme of routine exploration fieldwork and airborne magnetic coverage in order to evaluate the complete property and to provide context for interpretation of the initial drill holes.

Two phases of exploration are recommended, both of which primarily consist of diamond drilling.

Phase I also includes routine exploration fieldwork and airborne magnetic coverage to allow interpretation of property scale trends

and identification of additional targets which should be included in an extended Phase II drilling program. Phase II is expected to comprise primarily diamond drilling and support activities.

Phase I Exploration Program

The activities proposed represent an initial Phase I examination both of known mineralized showings at Clemente and exploration fieldwork designed to increase understanding of the existing mineral trends and to identify/clarify additional anomalies within the property. Existing mineral deposits in the region tend to be large, structurally controlled systems requiring large drilling programs to properly define. The recommended Phase I fieldwork is presented with the size and scale of potential targets in mind and should be conducted concurrently with the diamond drilling so as to be complete by the time any decision on Phase II is made.

Phase I will consist diamond drilling supported by geochemical sampling, airborne magnetics and prospecting/mapping outboard of known showings.

The cost of the Phase I exploration program is expected to be \$1,200,000, detailed as follows:

| Cost Area | Amount (\$) |
|-------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Pre-Drilling: Drilling Permits, Private Land Use, Water Use: | 20,000 |
| Pre-Drilling: Topographic and Drill Collar Location Surveys: | 10,000 |
| Drill Platform and Access Road Construction, Drill Moves (Excavator): | 30,000 |
| Diamond Drilling all-in ⁽¹⁾ , 3,000 metres @ \$250.00/m: | 750,000 |
| Drill Core Logging and Sampling: | 50,000 |
| Drill Core Sample Assays: | 70,000 |
| Detailed Mapping and Sampling Outboard of Nuevo Mundo, El Mundo and Elena areas aiming to extend trends in Preparation for Phase II | 20,000 |
| Soil Sampling: approx. 2,000 samples, 2 weeks, crew of 2 field helpers: | 50,000 |
| Property-Wide helicopter-borne magnetic and radiometric survey: | 100,000 |
| Ongoing Property-Wide Prospecting, Mapping and Sampling seeking to identify and refine additional targets | 50,000 |
| Silver Viper Personnel Support: Transportation, Food, Lodging: | 50,000 |
| Phase I Exploration Program Total | 1,200,000 |

Notes:

- (1) "All-in" means that the per-metre cost of \$250.00 quoted above includes haulage of drilling water, all drilling contractor's charges for coring, penetrating overburden, reaming and washing the hole, lubricants, additives, core boxes, contractor's labor costs during moves between holes, standby charges and all drill contractor's crew-support costs including but not limited to food, lodging, medical treatment and transportation for drill crews, and the drill contractor's vehicles and contractor's communications.

A 14 hole diamond drilling program forms a large portion of the recommended Phase I program. It has been designed to test historical workings sampled, mapped and described by previous workers; mineralization and reported characteristics have been verified by the Qualified Person. The El Mundo, Nuevo Mundo and Santa Elena areas are drill ready targets in the Qualified Person's opinion. Additional supporting fieldwork is recommended for inclusion in Phase I to complete geochemical, geological and magnetic coverage over the Clemente Property which is underlain by highly prospective lithologies in a favorable structural setting. The drilling and fieldwork activities can and should be completed concurrently and will form a solid basis for continued evaluation of the Clemente Property. The fieldwork recommended will both assist interpretation of the Phase I drill results and also will evaluate the less explored areas. The Technical Report recommends that the Company should look to integrate additional targets into the recommended Phase II program, the bulk of which is expected to focus on the three main areas (El Mundo, Nuevo Mundo and Santa Elena) and will be dependent upon the results of Phase I.

Airborne magnetic and radiometric surveying employing caesium magnetometer and industry standard airborne gamma-ray spectrometer will be completed over the entire Clemente Property. The proposed survey would be flown at an elevation of 50m and cover the project at 100m line spacing for an estimated total of 650 line-kilometres. Results would aid geological interpretation at the project scale, including areas under alluvial cover and would greatly assist in interpreting Phase I drill results and targeting of Phase II drilling.

Detailed geologic mapping will initially be focusing on areas immediately outboard of El Mundo, Nuevo Mundo and Santa Elena prospect areas specifically to assist drill program interpretation in anticipation of extension drilling away from outcrop and known workings. Detailed surface soil sampling will be designed to identify additional anomalous zones across prospective stratigraphy, especially between Santa Elena and Nuevo Mundo. Recommended sampling will be on 50m centres and 100m spaced east-west oriented lines. Ongoing prospecting and rock-chip sampling concurrent with other activities will also be completed as routine

evaluation over unexplored portions of the Clemente Property.

Phase II Exploration Program

Contingent upon positive results from the Phase I exploration program, the Technical Report recommends a Phase II diamond drilling program of up to 6,000 metres. The drill-hole collar locations and the inclinations and lengths of the Phase II holes will be guided by the results of Phase I diamond drilling and supplementary geological, geochemical and geophysical exploration work completed in Phase I.

The cost of the Phase II exploration program is expected to be \$1,800,000, detailed as follows:

| Cost Area | Amount (\$) |
|-----------------------------------------------------------------------|--------------------|
| Pre-Drilling: Drilling Permits, Private Land Use, Water Use: | 10,000 |
| Pre-Drilling: Mapping and Sampling at Nuevo Mundo, El Mundo and Elena | 20,000 |
| Pre-Drilling: Topographic and Drill Collar Location Surveys: | 10,000 |
| Drill Platform and Access Road Construction, Drill Moves (Excavator): | 35,000 |
| Diamond Drilling all-in ⁽¹⁾ , 6,000 metres @ \$250.00/m: | 1,500,000 |
| Drill Core Logging and Sampling: | 75,000 |
| Drill Core Sample Assays: | 100,000 |
| Silver Viper Personnel Support: Transportation, Food, Lodging: | 50,000 |
| Exploration Program Total | 1,800,000 |

Notes:

- (1) "All-in" means that the per-metre cost of \$250.00 quoted above includes haulage of drilling water, all drilling contractor's charges for coring, penetrating overburden, reaming and washing the hole, lubricants, additives, core boxes, contractor's labor costs during moves between holes, standby charges and all drill contractor's crew-support costs including but not limited to food, lodging, medical treatment and transportation for drill crews, and the drill contractor's vehicles and contractor's communications.

USE OF PROCEEDS

Funds Available

After deducting the estimated balance of the expenses of the Offering of \$141,500 and the expected Agent's Commission of \$72,000, the estimated net proceeds of the Minimum Offering will be \$2,786,500. As at June 30, 2017, the Company had a working capital surplus of \$2,252,988. Accordingly, the Company anticipates having available funds of approximately \$5,039,488 following Closing of the Minimum Offering.

After deducting the estimated balance of the expenses of the Offering of \$141,500 and the expected Agent's Commission of \$120,000, the estimated net proceeds of the Maximum Offering will be \$4,738,500. As at June 30, 2017, the Company had a working capital surplus of \$2,252,988. Accordingly, the Company anticipates having available funds of approximately \$6,991,488 following Closing of the Maximum Offering.

Principal Purposes

The funds available will be used for the purposes listed below:

| | Amount (\$) | |
|------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| | Minimum Offering | Maximum Offering |
| Clemente Property payment | 50,000 | 50,000 |
| Phase I exploration program on the Clemente Property | 1,200,000 | 1,200,000 |
| Phase II exploration program on the Clemente Property | 1,800,000 | 1,800,000 |
| Estimated general and administrative expenses for the 12 months following the Offering | 486,000 | 486,000 |
| Further payments required to exercise option to acquire Clemente Property ⁽¹⁾ | 660,000 | 660,000 |
| Unallocated working capital to fund ongoing operations | 843,488 | 2,795,488 |

| | | |
|--------------|-----------|-----------|
| Total | 5,039,488 | 6,991,488 |
|--------------|-----------|-----------|

Note:

- (1) In order for the Company to exercise its option on the Clemente Property, after deducting payments made to date and the \$50,000 property payment, the Company will be required to make further cash payments totaling \$660,000. Such further payments will be contingent on the results of the recommended exploration program on the Clemente Property.

As such, the Company expects to incur approximately \$486,000 in general and administrative costs on an annual basis to cover the expenses of operating as a public company over the next 12 months. A breakdown of the estimated general and administrative costs for that period is as follows:

| | Monthly Amount (\$) | Annual Amount (\$) |
|-------------------------------|--------------------------------|-------------------------------|
| Audit and Accounting Expenses | 2,000 | 24,000 |
| Legal | 1,000 | 12,000 |
| Management | 20,000 | 240,000 |
| Regulatory Filing Fees | 500 | 6,000 |
| Rent and Office Staff | 12,000 | 144,000 |
| Misc | 5,000 | 60,000 |
| Total | 40,500 | 486,000 |

The Company intends to spend its available funds as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The Company's negative operating cash flow and losses are expected to continue for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Company will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See "Risk Factors".

Business Objectives and Milestones

The business objectives the Company expects to achieve using the available funds are (i) complete the Offering; (ii) obtain a listing of the Common Shares on the Exchange; (iii) complete the Phase I exploration program recommended in the Technical Report ; and (iv) so long as the results the Phase I exploration program warrant continued exploration complete the Phase II exploration program as recommended in the Technical Report.

The Company's business objectives of completing the Offering and listing the Common Shares on the Exchange will occur on the Closing date of the Offering and the date the Company lists the Common Shares on the Exchange – the Company anticipates the Common Shares will be listed on the Exchange shortly after Closing.

The Company expects to commence its Phase I exploration program immediately following listing. The Company believes it will take a minimum of 12 months to complete its Phase I exploration program and analyze the results. The Company estimates that it will take a minimum of 12 months following completion and analysis of the Phase I exploration program for the Company to complete its Phase II exploration program and analyze the results. The cost of covering administrative costs for the first 12 months following listing is estimated at \$486,000. The cost of completing the Phase I exploration program is estimated at \$1,200,000 and the cost of completing the Phase II exploration program is estimated at \$1,800,000.

In the event that the results of the Phase I exploration program are not sufficiently positive to warrant the Phase II exploration program, the Company will use the funds reserved for the Phase II work program for acquiring another mineral exploration property and will conduct an initial exploration program on such mineral property.

DIVIDENDS

The Company has never declared, nor paid, any dividend since its incorporation and does not foresee paying any dividend in the

near future. Any future payment of dividends will depend on the financing requirements and financial condition of the Company and other factors which the Board, in its sole discretion, may consider appropriate and in the best interests of the Company.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following tables set forth selected financial information with respect to the Company's audited financial statements for the period from inception on April 26, 2016, to December 31, 2016 and the three-month period ended March 31, 2017. The selected financial information has been derived, except where indicated from the audited financial statements for the period from inception on April 26, 2016, to December 31, 2016 and the unaudited financial statements for the three-month period ended March 31, 2017. The following should be read in conjunction with the said financial statements.

Selected Financial Information

| | Three months ended March 31, 2017 (unaudited) (\$) | Period from inception (April 26, 2016) to December 31, 2016 (audited) (\$) |
|---------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Continuing operations | | |
| Revenue | - | - |
| Exploration Expenses | (23,621) | (9,974) |
| General and Administrative Expenses | (60,193) | (11,826) |
| Net Loss | (83,814) | (21,800) |
| Basic and Diluted loss per share | (0.00) | (0.00) |
| | | |
| | As at March 31, 2017 (unaudited) (\$) | As at December 31, 2016 (audited) (\$) |
| Statement of Financial Position | | |
| Assets | | |
| Current assets | 2,318,118 | 2,399,740 |
| Exploration and Evaluation Assets | 211,500 | 211,500 |
| Total Assets | 2,529,618 | 2,611,240 |
| Liabilities | | |
| Current liabilities | 1,139 | 1,139 |
| Shareholders' Equity | 2,528,479 | 2,610,101 |
| Total Liabilities and Shareholders' Equity | 2,529,618 | 2,611,240 |

Overview

This management discussion and analysis ("MD&A") of results, operations and financial condition of the Company, describes the operating and financial results of the Company for the period from inception on April 26, 2016, to December 31, 2016 and the three-month period ended March 31, 2017. This MD&A supplements, but does not form part of, the audited financial statements of the Company, and should be read in conjunction with the Company's audited financial statements and related notes for the period from inception on April 26, 2016, to December 31, 2016 and the unaudited financial statements and related notes for the three-month period ended March 31, 2017. The Company prepares and files its financial statements in accordance with IFRS. The currency referred to in this MD&A is Canadian Dollars.

Overall Performance

The Company is a junior exploration company engaged in the exploration and development of the Clemente Property. The Company's future performance depends on, among other things, its ability to discover and develop ore reserves in commercially recoverable quantities, the prevailing market price of commodities it produces, the Company's ability to secure required financing, and in the event ore reserves are found in economically recoverable quantities, the Company's ability to secure operating and

environmental permits to commence and maintain mining operations.

During the period from the date of inception on April 26, 2016, to December 31, 2016, the Company's activities included the acquisition of the Clemente Property and activities related to the Offering. See "Business of the Company – Three Year History" and "Clemente Property".

During the period from January 1, 2017 to March 31, 2017, the Company's activities included activities related to this offering including but not limited to preparation of filing documents and meeting and corresponding with professionals, Securities Regulatory Authorities and the Exchange.

Results of Operation

Period from the date of inception on April 26, 2016, to December 31, 2016

The Company reported a net loss of \$21,800, during the period from the date of inception on April 26, 2016, to December 31, 2016. The main factors that contributed to the loss in fiscal 2016 were general exploration expenses of \$9,974, office and administration expenses of \$1,378, professional fees of \$16,006 and travel expenses of \$1,859. Our expenses were partially offset by the recording of \$7,417 in foreign exchange gain.

Office and administration fees consist of general overhead expenditures.

Exploration expenses consist of geological fees related to the Clemente Property and the preparation of the Technical Report.

Professional fees consist of legal fees.

Travel expenses relates to expenses incurred traveling to and from Mexico.

Three Months Ended March 31, 2017

The Company reported a net loss of \$81,622, during the three-month period ended March 31, 2017. The main factors that contributed to the loss in Q1 2017 were general exploration expenses of \$23,621, filing fees of \$42,540, foreign exchange loss of \$1,210, office and administration expenses of \$7,595 and professional fees of \$8,848. Our expenses were partially offset by interest income of \$2,192.

Office and administration fees consist of general overhead expenditures.

Exploration expenses consist of geological fees related to Clemente Property and the preparation of the Technical Report.

Filing fees consisted of fees paid to the Exchange and Securities Regulatory Authorities.

Professional fees consist of legal fees.

The Company is in the exploration stage and commodity prices are not reflected in operating financial results. Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its Common Shares. See "Risk Factors".

Liquidity and Capital Resources

The Company reported a working capital surplus of \$2,398,601 and cash on hand of \$2,397,766 at December 31, 2016 and a working capital surplus of \$2,316,979 and cash on hand of \$2,312,020 at March 31, 2017.

The Company anticipates having \$6,991,488 in available funds upon completion of the Maximum Offering. The Company anticipates having \$5,039,488 upon completion of the Minimum Offering. The Company estimates that the capital required to carry out the recommended exploration programs on the Clemente Property is \$3,000,000. In addition, the Company also anticipates that it will be required to incur approximately \$486,000 in general and administrative expenses. In addition, the Company will be required to make additional cash payments of \$660,000 in accordance with the terms of the Clemente Option Agreement. As a result, the Company anticipates that after giving effect to the recommended exploration programs, meeting the general and administrative expenditures and allocating funds for the required payments under the Clemente Option Agreement, it will have \$843,488 in

unallocated working capital upon completion of the Minimum Offering and \$2,795,488 in unallocated working capital upon completion of the Maximum Offering. The Company does not anticipate incurring any other material capital expenditures. For more information about proposed exploration expenditures at Clemente, please refer to “Clemente Property – Exploration and Development.” For more information about proposed capital expenditures in connection with the acquisition of the Clemente Property, please refer to “Clemente Property – Clemente Property Map.”

The Company’s future capital requirements will depend upon many factors including, without limitation, the results of its exploration programs and commodity prices for precious metals. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company or at all. See “Risk Factors”.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

Period from the date of inception on April 26, 2016 to December 31, 2016

During the period from inception on April 26, 2016 to December 31, 2016, Arthur Freeze, the Company’s director, received \$4,000 in geological consulting fees. Geological consulting services in respect of which fees were paid consisted of site visit and assessment. Mr. Freeze was not paid a fee in connection with his role as Director of the Company.

Three Months Ended March 31, 2017

During the three-month period ended March 31, 2017, the Company did not record any related party transactions.

Changes in Accounting Policies

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company’s financial statements:

IFRS 9 Financial Instruments (“IFRS 9”)

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2013. IFRS 9 has a tentative effective date of January 1, 2018 with early adoption permitted.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

Based on its review of the above, management is of the opinion that the Company's current accounting policies and disclosures in its financial statements comply in all material respects with the requirements so far as they are applicable to its present operations.

Financial Instruments

The Company’s financial instruments consist of cash, accounts payable and accrued liabilities. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise stated.

Summary of Quarterly Results

Since inception, the Company has not prepared quarterly interim financial statements. As a result, the Company is unable to provide

a summary of the quarterly results from the date of inception on April 26, 2016 to December 31, 2016.

Additional Disclosure for Venture Issuers without Significant Revenue

The following table sets out a breakdown of all material components of certain costs to the Company for the period from incorporation on April 26, 2016, to December 31, 2016 and the three months ended March 31, 2017.

Mineral Properties – Exploration and Evaluation

The following tables set out the total deferred exploration costs recorded by the Company for the Clemente Property as at December 31, 2016 and March 31, 2017:

| | As at March 31, 2017 (unaudited) | As at December 31, 2016 (audited) |
|-------------------------------------|-------------------------------------------------|--------------------------------------------------|
| Balance, beginning of period | \$ 211,500 | \$ - |
| Acquisition Costs | | |
| Cash | - | 86,500 |
| Shares | - | 125,000 |
| Total Acquisition Costs | - | 211,500 |
| Deferred Exploration Costs | - | - |
| Total Deferred Exploration Costs | - | - |
| Balance, end of period | \$ 211,500 | \$ 211,500 |

General and Administrative Expenses

The following tables set out the general and administrative expenses of the Company for the period from inception on April 26, 2016 to December 31, 2016 and the three months ended March 31, 2017:

| Item | Three months ended March 31, 2017 (unaudited) | Period from Incorporation to December 31, 2016 (audited) |
|------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------------|
| Filing Fees | \$ 42,540 | \$ - |
| Foreign Exchange Loss (Gain) | 1,210 | (7,417) |
| Office and Administrative | 7,595 | 1,378 |
| Professional Fees | 8,848 | 16,006 |
| Travel | - | 1,859 |
| Total | \$ 60,193 | \$ 11,826 |

Additional Disclosure for Junior Issuers

As set out in the section titled “Use of Proceeds”, in the event that the Maximum Offering is completed, the Company anticipates having unallocated working capital of \$2,795,488 following completion of the recommended exploration programs, after meeting the budgeted administrative costs for the next 12 months of \$486,000 and allocating funds for the required payments under the Clemente Option Agreement. In the event that the Minimum Offering is completed, the Company anticipates having unallocated working capital of \$843,488 following completion of the recommended exploration programs, after meeting the budgeted administrative costs for the next 12 months of \$486,000 and allocating funds for the required payments required under the Clemente Option Agreement. Other than as disclosed in this prospectus, the Company does not anticipate incurring any other material capital expenditures.

Assuming that the Company has expended its exploration expenses in accordance with the recommendations of the Qualified Person, on the Clemente Property, the Company will have achieved one of its material stated business objectives which is to determine whether the Clemente Property contains mineralized deposits and whether the results warrant the Company carrying out further work on the Clemente Property.

If the results of the Phase I and Phase II exploration programs on the Clemente Property do not warrant the Company incurring further exploration expenditures, then the Company anticipates that it would have sufficient funds to meet its budgeted administrative costs for a minimum of three calendar years. However, if further programs are recommended on the Clemente Property, the Company may be required to raise additional funding. In addition, should the opportunity to acquire other mineral exploration properties be presented to the Company, whether located in North America or elsewhere, then the Company would have to determine the appropriate method of acquiring those properties. In the event that the Company's cash holdings are not sufficient to acquire the said properties, then the Company may have to look to raise further capital. See "Risk Factors".

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being Common Shares. As of the date of this prospectus, 30,447,801 Common Shares were issued and outstanding. The Company has no other securities, including incentive stock options, outstanding as of the date hereof. See "Description of the Securities Distributed".

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited number of authorized Common Shares, of which 30,447,801 Common Shares were issued and outstanding as at the date of this prospectus, and an unlimited number of preferred shares, of which none are issued and outstanding.

Common Shares

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

Preferred Shares

The holders of the preferred shares are not entitled to receive notice of and not entitled to vote at all meetings of the shareholders of the Company. The preferred shares may include one or more series of shares. The registered holders of the preferred shares are entitled to receive dividends if and when declared by the Board of Directors out of the funds or assets of the Company properly applicable to the payment of dividends. The Board of Directors of the Company may at any time declare and authorize the payment of such dividends exclusively to the registered holders of the preferred shares without declaring any corresponding dividends to the registered holders of the Common Shares. In the event of the liquidation, dissolution or winding up of the Company or other distribution of the assets of the Company among its members for the purpose of winding up the affairs of the Company, whether voluntary or involuntary, the registered holders of the preferred shares shall be entitled to receive the amount paid up with respect to each preferred share together with an amount equal to all declared and unpaid dividends on such shares in priority of the Common Shares. After payment to the registered holders of the preferred shares of the amount payable to them as provided for above, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Company. The preferred shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions or provisions permitting or restricting the issuance of additional securities. All preferred shares are issued as fully-paid and non-assessable.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization as at December 31, 2016, as at March 31, 2017, as of the date of this prospectus, and following completion of the Offering:

| | December 31, 2016 | March 31, 2017 | As at the date hereof | After giving effect to the Minimum Offering | After giving effect to the Maximum Offering | After giving effect to the Maximum Offering and Over-Allotment Option |
|-----------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------------------|
| Common Shares | \$2,631,901 (30,447,801 Common Shares) | \$2,631,901 (30,447,801 Common Shares) | \$2,631,901 (30,447,801 Common Shares) | \$5,418,401 (42,447,801 Common Shares) | \$7,370,401 (50,447,801 Common Shares) | \$8,075,401 (53,447,801 Common Shares) |
| Options | Nil | Nil | Nil | Nil | Nil | Nil |
| Long Term Liabilities | Nil | Nil | Nil | Nil | Nil | Nil |

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on October 11, 2016 (the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Company's Common Shares issued and outstanding at the time such options are granted. The Stock Option Plan will be administered by the Company's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of option grants will be determined by the Board of Directors, but after listing on the Exchange will not be less than the greater of \$0.10 and the closing market price of the Common Shares on the Exchange less allowable discounts at the time of grant. If the option holder is subject to the tax laws of the United States of America, and owns greater than ten percent of the outstanding Common Shares at the time of option grant, the exercise price shall be at least 110% of the closing market price of the Common Shares on the Exchange.

The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one optionee upon exercise of all stock options held by such optionee, including all other stock options granted to the optionee in the preceding 12 months, may not exceed (i) 5% of the issued Common Shares, unless the Company has obtained disinterested shareholder approval or the Common Shares are listed on the Toronto Stock Exchange; (ii) 2% of the issued Common Shares, if the optionee is a consultant; and (iii) in the event the optionee is providing investor relations services to the Company, 2% of the issued Common Shares, including all other Common Shares under option to optionees providing investor relations activities, on a yearly basis.

All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate prior to their original expiry dates as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from the date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Options Granted

As of the date hereof, the Company has not granted any options under the Stock Option Plan.

PRIOR SALES

Since inception on April 26, 2016, the Company has completed the following distributions of its securities:

- (a) On April 26, 2016, the Company issued one Common Share at a price of \$1.00 per share, which Common Share is escrowed in accordance with the terms of the Escrow Agreement.
- (b) On June 13, 2016, the Company issued 10,000,000 Common Shares at a price of \$0.01 per Common Share for total proceeds of \$100,000. All 10,000,000 Common Shares will be escrowed in accordance with the terms of the Escrow Agreement.
- (c) On September 9, 2016, the Company issued 17,072,800 Common Shares at a price of \$0.125 per Common Share for total proceeds of \$2,134,101. 2,180,000 of these Common Shares will be escrowed in accordance with the terms of the Escrow Agreement.
- (d) On September 30, 2016, the Company issued 2,375,000 Common Shares at a price of \$0.125 per Common Share for total proceeds of \$296,875.
- (e) On December 2, 2016, the Company issued 1,000,000 Common Shares at a deemed price of \$0.25 per share in accordance with the terms of the Clemente Option Agreement.

ESCROWED SECURITIES

In accordance with National Policy 46-201 - *Escrow for Initial Public Offerings* (previously defined as “NP 46-201”), all shares of an issuer owned or controlled by its principals are required to be placed in escrow at the time of the issuer’s initial public offering, unless the shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the issuer after giving effect to the initial public offering. Upon completion of the Offering, the Company anticipates being an “emerging issuer” as defined in NP 46-201.

The following securities of the Company (the “Escrowed Securities”) are held by, and are subject to the terms of an escrow agreement dated April 21, 2017, among the Company, Transfer Agent, as escrow agent, and the holders of the Escrowed Securities, being Stephen Cope, Stephen Brohman, 683192 B.C. Ltd., N. Ross Wilmot, Stillwater Enterprises Ltd., Melissa Martensen, Maria Velia Ledezma, Bernard Whiting, Dale Brittliffe and Robert van Egmond (the “Escrow Agreement”):

| Designation of Class | Number of Securities | Percentage of Issued Shares Prior to Completion of the Offering | Percentage of Issued Shares on Completion of the Minimum Offering | Percentage of Issued Shares on Completion of the Maximum Offering |
|----------------------|----------------------|-----------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| Common Shares | 12,180,001 | 40.00% | 28.69% | 24.14% |

683192 B.C. Ltd., is a Company owned by Mr. G. Cope, a director of the Company; Stillwater Enterprises Ltd. is a company owned by Mr. Freeze, a director of the Company; and Maria Velia Ledezma is Mr. G. Cope’s spouse.

These Common Shares will be held by the Transfer Agent pending their release in accordance with the schedule below.

As the Company anticipates being an “emerging issuer” as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow:

| | |
|----------------------------------|----------------------------------------|
| On the Listing Date | 1/10 of the escrow securities |
| 6 months after the Listing Date | 1/6 of the remaining escrow securities |
| 12 months after the Listing Date | 1/5 of the remaining escrow securities |
| 18 months after the Listing Date | 1/4 of the remaining escrow securities |
| 24 months after the Listing Date | 1/3 of the remaining escrow securities |
| 30 months after the Listing Date | 1/2 of the remaining escrow securities |
| 36 months after the Listing Date | the remaining escrow securities |

Assuming there are no changes to the escrow securities initially deposited, and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

Under NP 46-201, a “principal” is: (a) a person who has acted as a promoter of the Company within two years of the date of this prospectus; (b) a director or senior officer of the Company at the time of this prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company’s outstanding securities immediately before and immediately after the Company’s initial public offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company’s outstanding securities immediately before and immediately after the Company’s initial public offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company. A principal’s spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Company held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to “established issuers” provide that 25% of each principal’s escrowed securities are released on the listing date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the listing date, the Company meets the “established issuer” criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Company had been an “established issuer” on the listing date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the listing date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Company’s Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Company or of a material operating subsidiary of the Company; (b) subject to the approval of the Company’s Board of Directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Company’s outstanding securities; (c) subject to the approval of the Company’s Board of Directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company’s outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder’s legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”) or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holders spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an “exempt issuer”, the holder is a principal of the successor entity, and the holder holds more than 1% of the voting rights of the successor entities’ outstanding securities.

Under the terms of the Escrow Agreement, 10% of each escrowed shareholder’s shares (a total of 1,218,000 Common Shares) will be released from escrow on the Listing Date. The remaining 10,962,001 Common Shares will be held in escrow immediately following the listing date.

PRINCIPAL SHAREHOLDERS

The following table lists the persons who beneficially own, control, direct or will own, control or direct on closing of the Offering, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

| Name | Number and Class of Shares Owned | Number and Class of Shares Owned After Offering | Type of Ownership | Percentage of Common Shares Owned Prior to Giving Effect to the Offering | Percentage of Common Shares Owned After Giving Effect to the Minimum Offering ⁽¹⁾ | Percentage of Common Shares Owned After Giving Effect to the Maximum Offering ⁽¹⁾ |
|----------------------|----------------------------------|-------------------------------------------------|-------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Ingalls & Snyder LLC | 4,000,000 Common Shares | 4,000,000 Common Shares | Direct | 13.14% | 9.42% | 7.93% |

Notes:

(1) Assuming that no Common Shares are purchased by Ingalls & Snyder LLC under the Offering.

DIRECTORS AND EXECUTIVE OFFICERS

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

| Name, Jurisdiction of Residence and Age | Principal Occupations during past five years | Position with the Company | Director and/or Officer Since | Securities Held | Percentage of Securities Held |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------|-------------------------------------------|-------------------------------|
| Stephen Cope, 32, British Columbia, Canada ⁽¹⁾ | Manager, Corporate Development at Belcarra Group Management Ltd., Barsele Minerals Inc., Timmins Gold Corp. and Orko Silver Corp. | Chief Executive Officer, President and Director | April 26, 2016 | 1,400,000 Common Shares | 4.60% |
| Stephen Brohman, 33, British Columbia, Canada | Chief Financial Officer of Dolly Varden Silver Corp.; Chief Financial Officer/Accounting Manager at Belcarra Group Management Ltd.; Manager at Morgan & Company LLP; and Senior Accountant at Davidson & Company LLP. | Chief Financial Officer and Director | April 26, 2016 | 1,000,000 Common Shares | 3.28% |
| Gary Cope, 59, British Columbia, Canada ⁽²⁾ | Mining Executive; director and executive officer of multiple public mineral exploration companies; and independent contractor through 683192 B.C. Ltd. | Director | April 26, 2016 | 1,000,001 Common Shares ⁽³⁾ | 3.28% |
| Arthur Freeze, 68, British Columbia, Canada ⁽¹⁾⁽²⁾ | Consulting Geologist, Stillwater Enterprises Ltd. (geology consulting); and director and executive officer of multiple public mineral exploration companies. | Director | April 26, 2016 | 1,880,000 Common Shares ⁽⁴⁾ | 6.17% |
| N. Ross Wilmot, 73, British Columbia, Canada ⁽¹⁾⁽²⁾ | Financial Consultant, Cedarwoods Group (financial consulting); and director and executive officer of multiple public mineral exploration companies. | Director | April 26, 2016 | 1,000,000 Common Shares | 3.28% |
| Melissa Martensen, 38, British Columbia, Canada | Corporate Secretary and office manager for Belcarra Group Management Ltd.; Corporate Secretary of multiple public mineral exploration companies; and Private Banking Associate for RBC Private Banking. | Corporate Secretary | April 26, 2016 | 1,000,000 Common Shares | 3.28% |
| Dale Brittliffe, 42, British Columbia, Canada | President of Brightstar Geological Consulting Inc.; and VP Exploration of Astral Mining Corp. | VP Exploration | February 1, 2017 | 1,100,000 Common Shares | 3.61% |

| Name, Jurisdiction of Residence and Age | Principal Occupations during past five years | Position with the Company | Director and/or Officer Since | Securities Held | Percentage of Securities Held |
|-----------------------------------------|----------------------------------------------|---------------------------|-------------------------------|----------------------|-------------------------------|
| Total Securities | | | | 8,380,001 | 27.52% |
| | | | | Common Shares | |

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance Committee.
- (3) The number of Common Shares listed as beneficially owned by Mr. G. Cope consists of 1,000,001 Common Shares held by 683192 B.C. Ltd., a company controlled by Mr. G. Cope.
- (4) The number of Common Shares listed as beneficially owned by Mr. Freeze consists of 1,880,000 Common Shares held by Stillwater Enterprises Ltd., a company controlled by Mr. Freeze.

Term of Office

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

Biographical Information

The following is a brief description of the background of the Directors and executive officers of the Company.

Stephen Cope - Age 32, Chief Executive Officer, President and Director

Mr. S. Cope, has been a Manager Corporate Development at Belcarra Group Management Ltd. since 2014. He has provided corporate development services for Orko Silver Corp, Barsele Minerals Corp., Orex Minerals Inc. and Timmins Gold Corp. His responsibilities with these companies covered a wide range of areas including financing companies, project evaluation, investor relations and mergers and acquisitions. Mr. S. Cope obtained an Arts Degree from Orange Coast College in 2006.

Mr. S. Cope will serve as a member of the Audit Committee. Mr. S. Cope will devote approximately 60% of his time to the Company or such greater amount of time as is necessary. Mr. S. Cope has not entered into a non-competition or non-disclosure agreement with the Company, although Mr. S. Cope's consulting agreement with the Company does contain provisions restricting Mr. S. Cope's ability to compete with the Company, as well as the disclosure of confidential information. Mr. S. Cope is an independent contractor of the Company.

Stephen Brohman – Age 33, Chief Financial Officer and Director

Mr. Brohman has nine years of working experience in a variety of roles with public companies and has become experienced in corporate finance, project acquisition, executive management, corporate communications, corporate branding, shareholder relations and investor lead generation. Mr. Brohman has extensive experience in the audit of publicly traded companies on the TSX, TSX Venture Exchange and OTC markets, and has worked with mining and exploration, oil and gas, real estate investment, and merchant banking companies during his time in public practice. Mr. Brohman has served as director and/or executive officer for several publicly traded mineral exploration companies. Mr. Brohman serves as the Chief Financial Officer of Dolly Varden Silver Corp., and Director of Arrowstar Resources Ltd., both of which are mineral exploration companies listed on the Exchange. Mr Brohman obtained a BBA from Capilano University in 2008 and obtained his CPA, CA (Chartered Professional Accountant) designation in 2011.

Mr. Brohman will be responsible for the accounting activities of the Company. Mr. Brohman will devote approximately 50% of his time to the Company or such greater amount of time as is necessary. Mr. Brohman has not entered into a non-competition or non-disclosure agreement with the Company, although Mr. Brohman's consulting agreement with the Company does contain provisions restricting Mr. Brohman's ability to compete with the Company and restricting the disclosure of confidential information. Mr. Brohman is an independent contractor of the Company.

Gary Cope - Age 59, Director

Mr. G. Cope has accumulated over 33 years of experience in corporate management and strategy, with a specific emphasis on public company finance. Mr. G. Cope arranged financing for the South Kemess project, and later became heavily involved in the negotiations and selling of the deposit to Royal Oak Mines. In the past 12 years, he has acted as a senior officer and director for various publicly held companies. Mr. G. Cope served as the President, CEO and Director of Orko Silver Corp., and was instrumental

in negotiating and arranging the sale of Orko Silver Corp. to Coeur d'Alenes Mine Corp. in 2013. Mr. G. Cope is currently the President, CEO and Director of Dolly Varden Silver Corp., Orex Minerals Inc., and Barsele Minerals Corp., all of which are mineral exploration companies listed on the Exchange.

Mr. G. Cope will serve as a member of the Corporate Governance Committee. Mr. G. Cope will devote approximately 30% of his time to the Company or such greater amount of time as is necessary. Mr. G. Cope has not entered into a non-competition or non-disclosure agreement with the Company. Mr. G. Cope is an independent contractor of the Company.

Arthur Freeze - Age 68, Director

Mr. Freeze has 45 years of experience in mineral exploration and project management. Until 2007, he served as the Primary Consulting Geologist for Goldcorp Inc., and has held consulting, management and supervisory positions with international mining companies such as Cominco Ltd., Pasmenco Exploration, Echo Bay Mines and Pan American Silver Corp. Mr. Freeze is a member of the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC). Mr. Freeze was a Consulting Geologist and Advisory Board Member for Orko Silver Corp. Mr. Freeze is currently a director of Canasil Resources Inc., Orex Minerals Inc., and Barsele Minerals Corp. all of which are mineral exploration companies listed on the Exchange. Mr. Freeze obtained his BSc. from the University of New Brunswick in 1971 and obtained his P. Geo. designation in 1992.

Mr. Freeze will serve as a member of the Audit Committee and Corporate Governance Committee. Mr. Freeze will devote approximately 30% of his time to the Company or such greater amount of time as is necessary. Mr. Freeze has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Freeze is an independent contractor of the Company.

N. Ross Wilmot - Age 73, Director

Mr. Wilmot is a Chartered Professional Accountant who has provided public companies with senior financial management services for more than 20 years. As a former CFO and for numerous companies, he offers knowledge of reporting practices and requirements for public companies based in Canada and the USA. Mr. Wilmot has been involved in numerous business valuations and acquisitions, high-tech start-ups and international mining operations. Mr. Wilmot is currently a Director and Chief Financial Officer of Barsele Minerals Corp. and Orex Minerals Inc. Mr. Wilmot obtained his BSc from the University of Toronto in 1967, his MSc from the University of Toronto in 1969 and his CPA, CA (Chartered Professional Accountant) designation in 1973.

Mr. Wilmot will serve as a member of the Audit Committee and Corporate Governance Committee. Mr. Wilmot will devote approximately 30% of his time to the Company or such greater amount of time as is necessary. Mr. Wilmot has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Wilmot is an independent contractor of the Company.

Melissa Martensen - Age 38, Corporate Secretary

Melissa Martensen has served as Corporate Secretary and office manager of Belcarra Group Management Ltd. since 2014. Ms. Martensen served as Corporate Secretary to Orko Silver Corp. from 2010 to 2013. Currently, Ms. Martensen serves as Corporate Secretary to the following mineral exploration companies listed on the Exchange: Orex Minerals Inc., Barsele Minerals Corp. and Dolly Varden Silver Corp. Ms. Martensen obtained a B.Comm (Finance) from the University of Northern British Columbia in 2003.

Ms. Martensen will devote approximately 30% of her time to the Company or such greater amount of time as is necessary. Ms. Martensen has not entered into a non-competition or non-disclosure agreement with the Company. Ms. Martensen is an employee of Belcarra Group Management Ltd, independent contractor of the Company.

Dale Brittliffe - Age 42, VP Exploration

Mr. Brittliffe is a professional geologist with 20 years of experience in design and management of mineral exploration programs in Australia, Canada, Mexico and Brazil. Based in Vancouver, Mr. Brittliffe has eight years of experience managing exploration projects in northern Mexico and has previously completed such work for Kootenay Silver Inc., Astral Mining Corporation and Orex Minerals Inc. Mr. Brittliffe has served as VP Exploration of Astral Mining Corporation, a mineral exploration company previously listed on the Exchange. He holds a Bachelor of Applied Geology degree from Curtin University of Western Australia and a Bachelor of Science (Environmental) degree from the University of Western Australia.

Mr. Brittliffe will devote approximately 50% of his time to the Company or such greater amount of time as is necessary. Mr. Brittliffe has not entered into a non-competition or non-disclosure agreement with the Company, although, Mr. Brittliffe's consulting agreement with the Company does contain provisions restricting Mr. Brittliffe's ability to compete with the Company and restricting the disclosure of confidential information. Mr. Brittliffe is an independent contractor of the Company.

Cease Trade Orders

Except as set forth below, no director or executive officer of the Company is or has been, within the 10 years preceding the date of this prospectus, a director, chief executive officer or chief financial officer of any company that:

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

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

CTF Technologies Inc.

On June 10, 2003, while N. Ross Wilmot was a director and officer of CTF Technologies Inc. ("CTF"), CTF was subject to a cease trade order in British Columbia for failure to file its financial statements for the year ended December 31, 2002, and for the first quarter ended March 31, 2003, due to the CTF's determination in late 2002 that an accounting change to the manner in which it accounted for some of its revenues would be appropriate. The financial statements were filed and the cease trade order was revoked on April 4, 2008.

Bankruptcies

No director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, within the 10 years preceding the date of this prospectus:

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

Penalties or Sanctions

Except as set out below, no director or executive officer of the Company or any shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company has:

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

Biotech Holdings Ltd.

On September 7, 2007, while N. Ross Wilmot was a director of Biotech Holdings Ltd. ("Biotech"), a company listed on the Exchange, the Exchange notified Biotech that it had initiated a review of its filings. Following review by the Exchange in respect of certain compliance matters and direct discussions with the Exchange, Biotech's management decided to apply to delist the shares of Biotech from the Exchange. Subsequently, Mr. Wilmot resigned as a director of Biotech on October 15, 2007. In connection with the review, the Exchange conducted a suitability review of Mr. Wilmot as a result of a breach of an undertaking by the directors of Biotech. Mr. Wilmot entered into a settlement agreement whereby he agreed to attend certain courses on directorship and to notify the Exchange

of any future directorships of Exchange-listed companies.

Personal Bankruptcies

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

Conflicts of Interest

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

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

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's executive compensation program during the most recently completed financial year ended December 31, 2016, was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers.

Significant Elements

The significant elements of compensation for the Company's "Named Executive Officers", being the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers whose total compensation exceeds \$150,000, will be a cash salary and stock options. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors annually reviews the total compensation package of each of the Company's executives on an individual basis.

Cash Salary

The Company's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

In particular, the Chief Executive Officer's compensation will be determined by time spent on: (i) the Company's current mineral property; (ii) reviewing potential mineral properties that the Company may acquire and negotiating, on behalf of the Company; and (iii) new business ventures. The Chief Financial Officer's compensation is primarily determined by time spent in preparing and reviewing the Company's financial statements.

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers

from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance with the Company's Stock Option Plan.

As of the date hereof, the Company has not granted any options to its directors and officers. See "Options to Purchase Securities" above.

Employment and Consulting Agreements

The Company entered into a consulting agreement with 1105179 B.C. Ltd., a company controlled by Stephen Cope, its Chief Executive Officer and President, dated January 1, 2017. Under the terms of the consulting agreement, the Company agreed to pay \$7,500 per month for the services of Mr. S. Cope providing the services customarily provided by a Chief Executive Officer of a mineral exploration company listed on the Exchange.

The Company entered into a consulting agreement with 1047230 B.C. Ltd., a company controlled by Stephen Brohman, its Chief Financial Officer, dated January 1, 2017. Under the terms of the consulting agreement, the Company agreed to pay \$5,000 per month for the services of Stephen Brohman providing the services customarily provided by a Chief Financial Officer of a mineral exploration company listed on the Exchange.

The Company entered into a consulting agreement with Brightstar Geological Consulting Ltd., a company controlled by Dale Brittliffe, its VP Exploration, dated February 1, 2017. Under the terms of the consulting agreement, the Company agreed to pay \$7,500 per month for the services of Mr. Brittliffe providing the services customarily provided by a VP Exploration of a mineral exploration company listed on the Exchange.

Summary Compensation Table

The following table sets forth information about compensation paid to or earned by, the Company's Named Executive Officers during the period from Inception to December 31, 2016.

| Name and Principal Position | Year | Salary (\$) | Share Based Awards (\$) | Option Based Awards (\$) | Non Equity Incentive Plan Compensation (\$) | | Pension Value (\$) | All Other Compensation (\$) | Total Compensation (\$) |
|-----------------------------------------------------|------|-------------|-------------------------|--------------------------|---------------------------------------------|---------------------------|--------------------|-----------------------------|-------------------------|
| | | | | | Annual Incentive Plans | Long Term Incentive Plans | | | |
| Stephen Cope Chief Executive Officer & President | 2016 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Stephen Brohman Chief Financial Officer | 2016 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Melissa Martensen Corporate Secretary | 2016 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

Incentive Plan Awards

The following table sets forth all outstanding share based and option based awards to the Named Executive Officers as at the fiscal

year ended December 31, 2016.

| Name | Option Based Awards | | | | Share Based Awards | |
|-----------------------------------------------------|---------------------------------------------------------|----------------------------|------------------------|------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------------------|
| | Number of Securities underlying unexercised options (#) | Option exercise price (\$) | Option Expiration Date | Value of unexercised in-the-money options (\$) | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (\$) |
| Stephen Cope Chief Executive Officer & President | Nil | N/A | N/A | N/A | N/A | N/A |
| Stephen Brohman Chief Financial Officer | Nil | N/A | N/A | N/A | N/A | N/A |
| Melissa Martensen Corporate Secretary | Nil | N/A | N/A | N/A | N/A | N/A |

As of the date of this prospectus, the Company has not granted any share based or option based awards to the Named Executive Officers.

Director Compensation

The following table sets forth the compensation paid to the Company's Directors for the period from Inception to December 31, 2016.

| Name | Fees Earned (\$) | Share-based awards (\$) | Option-based Awards (\$) | Non-Equity Incentive Plan Compensation (\$) | Pension Value (\$) | All Other Compensation (\$) | Total (\$) |
|----------------|------------------|-------------------------|--------------------------|---------------------------------------------|--------------------|-----------------------------|------------|
| Gary Cope | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Arthur Freeze | Nil | Nil | Nil | Nil | Nil | Nil ⁽¹⁾ | Nil |
| N. Ross Wilmot | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

Notes:

1. During the period from inception on April 26, 2016 to December 31, 2016, Art Freeze received \$4,000 in geological consulting fees. Geological consulting services in respect of which fees were paid consisted of a Clemente site visit and assessment. Mr. Freeze was not paid a fee in connection with his role as Director of the Company.

Compensation arrangements for Directors is determined by the Board on a case by case basis and negotiated between the Board and the Director to be compensated. Mr. G. Cope, Mr. Freeze and Mr. Wilmot have agreed to act as a Directors of the Company without receiving sitting fees.

Termination and Change of Control Benefits

Other than as set forth below, there are no management or consulting agreements with any directors or officers of the Company that provide for payments to an officer or director, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in a director's or officer's responsibilities.

In the event that Stephen Cope is terminated for reasons other than cause, Mr. S. Cope is entitled to a lump sum equal to \$7,500 plus an additional \$7,500 for each year of completed services to a maximum of \$90,000. In the event that Mr. S. Cope is terminated for reasons other than cause, in connection with a change of control, Mr. Cope is entitled to a lump sum payment of \$150,000.

In the event that Stephen Brohman is terminated for reasons other than cause, Mr. Brohman is entitled to a lump sum equal to \$5,000 plus an additional \$5,000 for each year of completed services to a maximum of \$60,000. In the event that Mr. Brohman is terminated for reasons other than cause, in connection with a change of control, Mr. Brohman is entitled to a lump sum payment of \$130,000.

In the event that Dale Brittliffe is terminated for reasons other than cause, Mr. Brittliffe is entitled to a lump sum equal to \$7,500 plus an additional \$7,500 for each year of completed services to a maximum of \$90,000. In the event that Mr. Brittliffe is terminated for reasons other than cause, in connection with a change of control, Mr. Brittliffe is entitled to a lump sum payment of \$170,000.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since inception on April 26, 2016, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Company either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board of Directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On October 11, 2016, the Board of Directors adopted a charter delineating the Audit Committee's responsibilities. The Audit Committee Charter is attached to this prospectus as Schedule "A".

Composition of Audit Committee

The following persons are members of the Company's Audit Committee:

| | | |
|----------------|-----------------|----------------------|
| Stephen Cope | Not Independent | Financially Literate |
| N. Ross Wilmot | Independent | Financially Literate |
| Arthur Freeze | Independent | Financially Literate |

To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment. Mr. S. Cope is not considered to be independent as he is the Chief Executive Officer and President of the Company.

To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

The education and experience of each Audit Committee member that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

Stephen Cope: Mr. S. Cope, has been a Manager Corporate Development at Belcarra Group Management Ltd. since 2014. He has provided corporate development services for Orko Silver Corp, Barsele Minerals Corp., Orex Minerals Inc. and Timmins Gold Corp. His responsibilities with these companies have covered a wide range of areas including financing companies, project evaluation, investor relations and mergers and acquisitions. Mr. S. Cope has an Arts Degree from Orange Coast College in 2006.

N. Ross Wilmot: Mr. Wilmot is a Chartered Accountant who has provided public companies with senior financial management services for more than 20 years. As a former CFO to numerous companies, he offers knowledge of reporting practices and requirements for public companies based in Canada and the USA. Mr. Wilmot has been involved in numerous business valuations and acquisitions, high tech start-ups and international mining operations. Mr. Wilmot obtained his CPA, CA (Chartered Professional

Accountant) designation in 1973.

Arthur Freeze: Mr. Freeze has an impressive 45 years of experience in Mineral Exploration and Project Management. Until 2007, he served as the Primary Consulting Geologist for Goldcorp Inc., and has held Consulting, Management and Supervisory positions with international mining companies such as Cominco Ltd., Pasminco Exploration, Echo Bay Mines and Pan American Silver Corp. Art is a member of the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC). Mr. Freeze was a Consulting Geologist and Advisory Board Member for Orko Silver Corp. Mr. Freeze is currently a director of Canasil Resources Inc., Orex Minerals Inc., and Barsele Minerals Corp. all of which are all of which are mineral exploration companies listed on the Exchange. Mr. Freeze obtained his BSc. From the University of New Brunswick in 1971 and obtained his P. Geo designation in 1992.

Audit Committee Oversight

At no time since the commencement of the Company's most recent completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the following exemptions:

- (a) the exemption in section 2.4 of National Instrument 52-110 (*De Minimis Non-audit Services*);
- (b) the exemption in subsection 6.1.1(4) of National Instrument 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in subsection 6.1.1(5) of National Instrument 52-110 (*Events Outside Control of Member*);^[1]_{SEP}
- (d) the exemption in subsection 6.1.1(6) of National Instrument 52-110 (*Death, Incapacity or Resignation*); or ^[1]_{SEP}
- (e) an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter states that Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

External Auditor Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the fiscal year ended December 31, 2016 are as follows:

| | Period from Inception to December 31, 2016 |
|--------------------|-----------------------------------------------|
| Audit Fees | \$- |
| Audit-Related Fees | - |
| Tax Fees | - |
| All Other Fees | - |
| Total | \$- |

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of

Directors and who are charged with the day-to-day management of the Company. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Company's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of five members. The rules of the Exchange require the Company to have at least two independent directors. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. N. Ross Wilmot and Arthur Freeze are independent directors of the Company, as aside from Common Shares held by them they have no ongoing interest or relationship with the Company other than serving as directors. Neither Stephen Cope nor Stephen Brohman are independent directors because of Mr. S. Cope's positions as Chief Executive Officer and President and Mr. Brohman's position as Chief Financial Officer of the Company. Gary Cope is not an independent director because Stephen Cope is the son of Gary Cope.

Directorships

The following Directors of the Company are directors of other reporting issuers:

| <u>Name of Director</u> | <u>Name of Reporting Issuer</u> | <u>Exchange</u> |
|-------------------------|---------------------------------|----------------------|
| Stephen Cope | None. | None. |
| Stephen Brohman | Arrowstar Resources Ltd. | TSX Venture Exchange |
| Gary Cope | Dolly Varden Silver Corp. | TSX Venture Exchange |
| | Orex Minerals Inc. | TSX Venture Exchange |
| | Barsele Minerals Corp. | TSX Venture Exchange |
| Arthur Freeze | Orex Minerals Inc. | TSX Venture Exchange |
| | Barsele Minerals Corp. | TSX Venture Exchange |
| | Canasil Resources Inc. | TSX Venture Exchange |
| N. Ross Wilmot | Barsele Minerals Corp. | TSX Venture Exchange |
| | Orex Minerals Inc. | TSX Venture Exchange |

Orientation and Continuing Education

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

Ethical Business Conduct

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

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the Directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed

in accordance with, and are subject to such other procedures and remedies as applicable under the BCA.

Nomination of Directors

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

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

Compensation

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

Other Board Committees

The following table shows the members of the Company's board-appointed Audit Committee and Corporate Governance Committee.

| <u>Audit Committee</u> | <u>Corporate Governance Committee</u> |
|------------------------|---------------------------------------|
| Stephen Cope | Gary Cope |
| N. Ross Wilmot | N. Ross Wilmot |
| Arthur Freeze | Arthur Freeze |

The purpose of the Corporate Governance Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to corporate governance in general, and specifically to ensure that the requirements for the Board of Directors and its activities conform to the Company's corporate governance policy, the requirements of the BCA and all relevant regulatory bodies.

Assessments

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

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

PLAN OF DISTRIBUTION

Offering

Under an agency agreement (previously defined as the “Agency Agreement”) dated April 25, 2017, as amended July 21, 2017, between the Company and the Agent, the Company has appointed the Agent on a commercially reasonable efforts basis to offer for sale a minimum of 12,000,000 Common Shares and a maximum of 20,000,000 Common Shares of the Company at a price of \$0.25 per Common Share for gross proceeds of a minimum of \$3,000,000 and a maximum of \$5,000,000. The issue price of \$0.25 per Common Share was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange. The Company has granted the Agent’s Option to allow the Agent to sell up to an additional 3,000,000 Common Shares, at the Offering Price. The Agent’s Option is exercisable in whole or in part at any time until two business days prior to Closing. The Agent’s Option may only be exercised by the Agent to cover over-allotted subscriptions received from subscribers. If the Agent’s Option is exercised in full in conjunction with completion of the Maximum Offering, the total price to the public, Agent’s Commission and net proceeds to us (before payment of the expenses of the Offering) will be increased by \$750,000, \$45,000, and \$705,000, respectively. This prospectus qualifies for distribution the Common Shares as well as the grant of the Agent’s Option and the issuance of the Common Shares on exercise of the Agent’s Option.

The completion of the Offering is subject to a minimum subscription of 12,000,000 Common Shares. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of \$3,000,000 has been raised. In the event that the Minimum Offering is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

The Company has agreed not to, directly or indirectly, issue, sell or grant or agree to announce any intention to issue, sell or grant, any additional equity or quasi-equity securities for a period of 120 days after the Closing of the Offering without the prior written consent of the Agent, such consent not to be unreasonably withheld, except in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Company and other share compensation arrangements; (ii) obligations in respect of existing mineral property agreements; and (iii) the issuance of securities in connection with property or share acquisitions in the normal course of business.

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

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

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

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

Agent’s Commission

The Company has agreed to pay to the Agent a cash commission equal to 6% of the aggregate gross proceeds of any Common Shares sold, other than those sold to President’s List purchasers in which case the Agent will not receive a commission. Such commission, together with all other expenses of the Offering, will be paid by the Company out of the proceeds of the Offering. The Company has also agreed to pay to the Agent the Corporate Finance Fee of \$75,000, plus applicable taxes upon Closing of the Offering.

We have granted the Agent’s Option to the Agent to sell up to an additional 3,000,000 Common Shares, at the Offering Price. The Agent’s Option is exercisable in whole or in part at any time until two business days prior to Closing. The Agent’s Option may only

be exercised by the Agent to cover over-allotted subscriptions received from subscribers. In the case of the Maximum Offering, if the Agent's Option is exercised in full in conjunction with completion of the Maximum Offering, the total price to the public, Agent's Commission and net proceeds to us (before payment of the expenses of the Offering) will be increased by \$750,000, \$45,000, and \$705,000, respectively. This prospectus qualifies for distribution the Common Shares as well as the grant of the Agent's Option and the issuance of the Common Shares on exercise of the Agent's Option.

United States

The securities offered under this prospectus have not been registered under the U.S. Securities Act or registered or qualified under the securities laws of any state of the United States. Such securities may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (within the meaning of Regulation S promulgated under the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act. Accordingly, such securities may only be offered and sold: (i) within the United States to "qualified institutional buyers" as defined in and pursuant to Rule 144A under the U.S. Securities Act, or to "accredited investors" as defined in Rule 501 of Regulation D under the U.S. Securities Act in transactions exempt from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S. The Agent has agreed not to offer or sell the securities offered under this prospectus except as set forth above. In addition, until 40 days after the commencement of the Offering, an offer or sale of such securities in the United States by any dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act unless made pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with applicable state securities laws.

Listing of Common Shares on the Exchange

The Exchange has conditionally accepted the listing of the Company's Common Shares. Listing is subject to the Company fulfilling all of the requirements of the Exchange.

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

RISK FACTORS

An investment in the Company is highly speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline, and investors may lose all or part of their investment.

Exploration and Development

Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. In particular, exploration for precious metals is highly speculative in nature.

The Company does not have an interest in any mineral property that presently contains any commercial ore. The Company's proposed exploration programs for the Clemente Property are exploratory searches for mineralized zones, resources and, if successful, ore reserves. Should any ore reserves exist, substantial expenditures will be required to confirm ore reserves which are sufficient to justify commercial mining and to obtain the required environmental approvals and permitting required to commence commercial operations. Should any mineral resource be defined on a property in which the Company has an interest there can be no assurance that the mineral resource on any such properties can be commercially mined or that the metallurgical processing will produce economically viable saleable products. Furthermore, there is no assurance that any estimated mineral resources are accurately defined. Mineral resource estimates are imprecise and depend on geological analysis based partly on statistical inferences drawn from drilling, and assumptions about operating costs and metal prices, all of which may prove unreliable. As resource estimates may not be accurate, there can be no assurance that the indicated quantities of metals on the Clemente Property will be recovered if commercial production is commenced. Any future production could differ significantly from such estimates for the

following reasons: actual mineralization or formations could be different from those predicted by drilling, sampling and similar examinations; declines in the market price of gold may render the mining of some or all of the resources uneconomic; and the grade of material may vary dramatically from time to time and the Company cannot give any assurances that any particular quantity of metal will be recovered from the resources. The occurrence of any of these events may cause Company to adjust resource estimates (if any) or change its mining plans, which could negatively affect the Company's financial condition and results of operations.

The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control.

In addition, the grade of material ultimately mined may differ from that indicated by drilling results. Short term factors relating to mineral resources or mineral reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations.

There can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or in production scale process applications. Material changes in mineral resources or reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

The ability of the Company to sell, and profit from the sale of any eventual production from any property in which the Company has an interest will be subject to the prevailing conditions in the marketplace at the time of sale. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long term viability of the Company and its operations.

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs. There may be other factors that result in delays to the Company's exploration programs, including adverse weather.

Potential Profitability Depends Upon Factors Beyond the Control of the Company

The potential profitability of mineral properties is dependent upon many factors beyond the Company's control. For instance, world prices of and markets for gold and other minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of mined ore may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, water environmental compliance or other production inputs. Such costs will fluctuate in ways the Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of the Company.

Title Matters, Surface Rights and Access Rights

While the Company has performed its own due diligence with respect to title of the Clemente Property, this should not be construed as a guarantee of title. The Clemente Property may be subject to prior unregistered agreements of transfer or land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of Riverside or the Company to the Clemente Property and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Clemente Property or the size of the area to which such claims and interests pertain.

Although the Company does not anticipate having any issues with respect to surface and access to the Clemente Property, there can be no assurance that local ranch owners, property owners or community members will not oppose future exploration activities on the Clemente Property.

Environmental Risks and Other Regulatory Requirements

The current or future operations of the Company, including exploration and development activities and commencement of production on the Clemente Property or any other mineral properties in which it might acquire an interest require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land and water use, environmental protection, mine safety and other matters.

There can be no assurance that all necessary government approvals, which the Company may require for future exploration activities or any construction of mining facilities or conduct of mining operations will be obtainable on reasonable terms or at all, or that the terms of such applicable laws and regulations will not have an adverse effect on any exploration or mining project which the Company might undertake.

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

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Political and Economic Instability in Foreign Countries

The Company's property is located in Mexico, and the Company may acquire mineral property interests in other foreign countries. Exploration in foreign jurisdictions will expose the Company to risks that may not otherwise be experienced if all operations were domestic. The risks include but are not limited to military repression, extreme fluctuations in currency exchange rates, labour instability or militancy, socioeconomic conditions, mineral title irregularities and high rates of inflation. In addition, changes in mining or investment policies, or shifts in political attitude or policies in foreign countries in which the Company operates may adversely affect its business. The distribution of earnings back to Canada would require Mexican currency to be reconverted to foreign currency for repatriation. The Company may be affected in varying degrees by government regulation with respect to restrictions on production, price controls, export controls, income taxes, tariffs, expropriation of property, maintenance of exploration or mining rights, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted. Political risks may adversely affect the Company's existing assets and operations. The Company does not maintain, and the Company does not intend to purchase political risk insurance. Real and perceived political risks in some countries may also affect the Company's ability to finance exploration programs and attract joint venture partners and may affect future mine development opportunities.

Governmental Permits and Licensing

In the ordinary course of business, the Company and any other entities through which the Company may obtain an interest in mineral properties will be required to obtain and renew governmental permits and licenses for the operation and expansion of existing operations or for the commencement of new operations. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process. The duration and success of the efforts to obtain and renew permits and licenses are contingent upon many variables not within the control of the Company including the interpretation of applicable requirements implemented by the permitting or licensing authority. Permits and licenses or the renewals thereof that are necessary to the operations in which the Company has an interest, or the cost to obtain or renew permits and licenses, may exceed what the Company expects. Any unexpected delays or costs associated with the permitting and licensing process could delay the exploration and development or impede the operation of the Clemente Property or any other projects in which the Company acquires an interest.

Possible Loss of Interests in Clemente Property

The Clemente Property is the only mineral property in which the Company has an interest. The Clemente Option Agreement pursuant to which the Company may acquire its interest in the Clemente Property, provides that the Company must make a series of payments in cash, issuances of shares and incur exploration expenditures in order to acquire its interest in Clemente. If the Company fails to meet this obligation, the Company may lose its interest in Clemente. The Company may determine not to, or may be unable to, exercise the option or renegotiate the consideration required to exercise the option under the Clemente Option Agreement. There can be no assurance that the Company will exercise this option.

The Clemente Property is controlled by Riverside and accordingly the Company is dependent on Riverside to satisfy its obligations to maintain the claims comprising the Clemente Property.

Furthermore, there is no guarantee that the Company will be able to maintain positive business relationships with Riverside or any other Mexican business partners, both before and after any exercise of the Company's option under the Clemente Option Agreement

Foreign Currency Fluctuations

The Company will continue to maintain its accounts and raise its capital funding through the sale of equity securities in Canadian dollars. The Company's exploration operations in Mexico are paid for in either Canadian dollars, Mexican pesos or United States dollars. The Company is, therefore, subject to foreign currency exchange fluctuations relative to the Mexican peso, as well as the United States dollar, which may materially affect the Company's financial position and operating results. Further, there is no guarantee that the governments of Mexico, or any other foreign government in which the Company carries on business, will not impose restrictions on the convertibility of or obligations to remit and convert into the local currency in the future, which may also have a material adverse effect on the Company's financial position and operations. The Company does not currently have a formal hedging program to mitigate foreign currency exchange risks.

Requirement for Additional Funds

The Company will require additional funds to fund further exploration and to develop the Clemente Property and to acquire, explore and develop any other properties in which the Company may acquire an interest. The Company has limited financial resources, has no source of operating cash flow, and has no assurance that additional funding will be available to the Company to carry out the completion of future property acquisitions or for the substantial capital that is typically required in order to place a property into development and commercial production. There can be no assurance that the Company will be able to obtain adequate additional financing or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Clemente Property and any other properties in which the Company may acquire an interest.

While, upon completion of the Minimum Offering, the Company will have sufficient financial resources to fund the currently recommended exploration program in respect of the Clemente Property, the Company may require additional funds to fund further exploration and to develop the Clemente Property.

Uninsurable Risks

In the course of exploration, development and production of mineral properties involves numerous risks, including from unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Such risks may result in liabilities that reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company.

The Company is not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate their available funds or could exceed the funds available to pay such liabilities and result in bankruptcy. Should the Company be unable to fund fully the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

Operating Hazards and Risks

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

Securities of the Company and Potential for Future Equity Dilution

The price at which the seed rounds of securities were sold was arbitrarily determined by the Company and the price of the Common Shares offered under this Prospectus was determined by negotiation between the Company and the Agent and bears no relationship

to earnings, book value or other valuation criteria. The Company may require funds in addition to the proceeds of the Offering to execute its future plans and it is likely that to obtain the necessary funds, the Company will have to sell additional securities including, but not limited to, its Common Shares and convertible securities, the effect of which would result in a dilution of the equity interests of the Company's then existing shareholders.

The purchase price of the Common Shares offered hereunder exceeds the net tangible book value per Common Share and accordingly investors will suffer immediate and substantial dilution of their investment.

Use of Proceeds

The Company proposes to use the net proceeds from the Offering as described in "Use of Proceeds". In allocating the proceeds, the Company will have broad discretion in the application of the proceeds and could spend the proceeds in ways that are not described under "Use of Proceeds" and do not improve the Company's business prospects or enhance the value of the Common Shares. The failure to apply these funds effectively could result in financial losses that could have a material adverse effect on the Company's business, cause the price of the Common Shares to decline and delay the development and productivity of the Company's mining operations.

Key Personnel

The Company's future success depends, in significant part, upon the continued service and performance of its senior management. The experience and ability of these individuals will be a factor contributing to the Company's success and growth. The loss of the services of one or more of these individuals could have a material adverse effect on the Company's business prospects. The Company has not obtained key man insurance with respect to any of its senior management.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The Clemente Property lies in a somewhat remote area with limited infrastructure. In addition, unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations on the Clemente Property and the Company's operations, financial condition and results of operations.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company, and the Company's interests may be adversely affected. See also "Directors and Executive Officers – Conflicts of Interest".

No History of Earnings

The Company has no history of earnings, and there is no assurance that the Clemente Property or any other mineral properties in which it might acquire an interest will generate earnings, operate profitably or provide a return on investment in the future. The Company expects to incur losses and negative operating cash flow for the foreseeable future as it conducts its exploration activities on the Clemente Property. The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future. The future dividend policy of the Company will be determined by its directors.

Negative Operating Cash Flow

Since commencing its operations April 26, 2016, the Company has had negative operating cash flow and incurred losses. The negative operating cash flow and losses are expected to continue for the foreseeable future. The Company may never achieve positive operating cash flow.

Acquisition of Additional Mineral Properties

If the Company loses or abandons or loses its interest in the Clemente Property, there is no assurance that the Company will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange or applicable regulatory authorities. There is also no guarantee that the Exchange will approve the acquisition of any additional mineral property interests by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional property interests.

Competition

Significant and increasing competition exists for mining opportunities internationally. There are a number of large established mining companies with substantial capabilities and far greater financial and technical resources than the Company. The Company may be unable to acquire additional attractive mining properties on terms it considers acceptable and there can be no assurance that the Company's exploration and acquisition programs will yield any new reserves or result in any commercial mining operation.

Volatility of Commodity Prices

The market prices of commodities, including gold and silver, are volatile and are affected by numerous factors which are beyond the Company's control. These factors include international supply and demand, consumer product demand, international economic trends, currency exchange rate fluctuations, interest rates, inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in commodity prices, including gold or silver, could render less economic, or uneconomic, some or all of the exploration activities to be undertaken by the Company.

Health and Safety Risks

A violation of health and safety laws, or the failure to comply with the instructions of relevant health and safety authorities, could lead to, among other things, a temporary cessation of activities on the Clemente Property or any part thereof, a loss of the right to prospect for minerals, or the imposition of costly compliance procedures. This could have a material adverse effect on the Company's operations and/or financial condition.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

General

Although management believes that the above risks fairly and comprehensively illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

PROMOTERS

Stephen Brohman, the Company's Chief Financial Officer and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Brohman owns 1,000,000 Common Shares of the Company, which is 3.28% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

Gary Cope, the Company's Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. G. Cope owns 1,000,001 Common Shares of the Company, which is 3.28% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since April 26, 2016, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since inception on April 26, 2016; (ii) other penalties or sanctions imposed by a

court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on April 26, 2016.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the Directors or executive officers of the Company, and no associate or affiliate of the foregoing persons has or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a “related issuer” or a “connected issuer” of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*).

AUDITORS, TRANSFER AGENT AND REGISTRAR

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

The Transfer Agent and registrar for the Common Shares is Computershare Investor Services Inc., located at 3rd Floor, 510 Burrard St. Vancouver, BC V6C 3B9.

MATERIAL CONTRACTS

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

1. Clemente Option Agreement dated September 30, 2016, between the Company and Riverside. See “Business of the Company”.
2. Stock Option Plan adopted October 11, 2016. See “Description of the Securities Distributed”.
3. Amended Option Agreement dated December 2, 2016, between the Company and Riverside. See “Business of the Company”.
4. Escrow Agreement dated April 21, 2017 among the Company, Transfer Agent, Stephen Cope, Stephen Brohman, 683192 B.C. Ltd., N. Ross Wilmot, Stillwater Enterprises Ltd., Melissa Martensen, Maria Velia Ledezma, Bernard Whiting, Dale Brittliffe and Robert van Egmond. See “Escrowed Securities”.
5. Agency Agreement dated April 25, 2017 between the Company and Haywood Securities Inc. See “Plan of Distribution”.
6. Amendment to Agency Agreement dated July 21, 2017 between the Company and Haywood Securities Inc. See “Plan of Distribution”.

EXPERTS

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this prospectus as having prepared or certified a report, valuation, statement or opinion in this prospectus:

- (a) George W.G. Sivertz, B.Sc., P.Geo., of Maple Ridge, is an independent consulting geologist and is a “qualified person” as defined in NI 43-101, and is the author responsible for the preparation of the Technical Report on the Clemente Property.

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

In addition, certain legal matters relating to the Offering will be passed upon on behalf of the Company by Northwest Law Group and Koffman Kalef LLP, and on behalf of the Agent by Miller Thomson LLP.

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

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, tax counsel to the Company, and Miller Thomson LLP, tax counsel to the Agent, based on the provisions of the *Income Tax Act* (Canada) (the “Tax Act”), and the regulations thereunder in force as of the date hereof, the Common Shares issued pursuant to the Offering, if issued on the date hereof, will be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a registered education savings plan (“RESP”), a deferred profit sharing plan, a registered disability savings plan (“RDSP”) and a tax-free savings account (“TFSA”) as those terms are defined in the Tax Act, provided that the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which includes the TSX Venture Exchange Tiers 1 and 2) or the Company is otherwise a “public corporation” as defined in the Tax Act.

Notwithstanding that such Common Shares may be a qualified investment for an RRSP, RRIF or TFSA (each a “Registered Plan”), the annuitant thereunder or holder thereof, as the case may be, will be subject to a penalty tax in respect of the Common Shares held in such Registered Plan if the Common Shares are a “prohibited investment” for such Registered Plan for purposes of the Tax Act. The Common Shares generally will not be a “prohibited investment” if the annuitant under or holder of the Registered Plan, as the case may be, (i) deals at arm’s length with the Company for purposes of the Tax Act, and (ii) does not have a “significant interest” (as defined in the Tax Act) in the Company. If certain proposed amendments to the Tax Act released by the Minister of Finance (Canada) on March 22, 2017 are enacted as proposed, the prohibited investment rules will extend to RDSPs and RESPs.

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. Purchasers of Common Shares should consult their own advisors to ensure the Common Shares would not be a prohibited investment in their particular circumstances.

RIGHTS OF WITHDRAWAL AND RESCISSION

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

FINANCIAL STATEMENTS

Audited financial statements of the Company for the period from inception on April 26, 2016, to December 31, 2016 and unaudited financial statements of the Company for the three months ended March 31, 2017 are included in this prospectus.

SILVER VIPER MINERALS CORP.

FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

**FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO
DECEMBER 31, 2016**

INDEPENDENT AUDITORS' REPORT

To the Directors of
Silver Viper Minerals Corp.

We have audited the accompanying financial statements of Silver Viper Minerals Corp., which comprise the statement of financial position as at December 31, 2016, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the period from incorporation on April 26, 2016 to December 31, 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Silver Viper Minerals Corp. as at December 31, 2016 and its financial performance and its cash flows for the period from incorporation on April 26, 2016 to December 31, 2016 in accordance with International Financial Reporting Standards.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

April 25, 2017



SILVER VIPER MINERALS CORP.
STATEMENT OF FINANCIAL POSITION

As at
(Expressed in Canadian Dollars)

| | December 31, 2016 |
|------------------------------------------------------|----------------------|
| ASSETS | |
| Current | |
| Cash | \$ 2,397,766 |
| Receivables | <u>1,974</u> |
| | 2,399,740 |
| Exploration and evaluation assets (Note 4) | <u>211,500</u> |
| | <u>\$ 2,611,240</u> |
| LIABILITIES | |
| Current | |
| Accounts payable and accrued liabilities | \$ <u>1,139</u> |
| Shareholders' equity | |
| Share capital (Note 5) | 2,631,901 |
| Deficit | <u>(21,800)</u> |
| | <u>2,610,101</u> |
| | <u>\$ 2,611,240</u> |
| Nature and continuance of operations (Note 1) | |
| Events after the reporting period (Note 12) | |

Approved and authorized on behalf of the board:

| | | | |
|-------------------------------------|----------|---------------------------------------|----------|
| <u>/s/ Steve Cope</u> Steve Cope | Director | <u>/s/ Ross Wilmot</u> Ross Wilmot | Director |
|-------------------------------------|----------|---------------------------------------|----------|

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

SILVER VIPER MINERALS CORP.
STATEMENT LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

For the period from the date of incorporation on
April 26, 2016 to December 31, 2016

| | |
|-------------------------------------------------------------|--------------------|
| EXPLORATION EXPENSES | |
| General exploration | \$ 9,974 |
| GENERAL EXPENSES | |
| Foreign exchange | (7,417) |
| Office and administrative | 1,378 |
| Professional fees | 16,006 |
| Travel | <u>1,859</u> |
| | <u>11,826</u> |
| Loss and comprehensive loss for the period | <u>\$ (21,800)</u> |
| Basic and diluted loss per common share | <u>\$ (0.00)</u> |
| Weighted average number of common shares outstanding | <u>16,697,696</u> |

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

SILVER VIPER MINERALS CORP.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD FROM INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

| | Common Shares | Share Capital | Deficit | Total Shareholders' Equity |
|----------------------------------------------------|--------------------------|----------------------|--------------------|-------------------------------------------|
| Balance, April 26, 2016 (Note 1) | - | \$ - | \$ - | - |
| Issuance of incorporation share | 1 | 1 | - | 1 |
| Private placements | 29,447,800 | 2,530,975 | - | 2,530,975 |
| Share issuance costs | - | (24,075) | - | (24,075) |
| Share issued for exploration and evaluation assets | 1,000,000 | 125,000 | - | 125,000 |
| Loss and comprehensive loss | - | - | (21,800) | (21,800) |
| Balance, December 31, 2016 | 30,447,801 | \$ 2,631,901 | \$ (21,800) | \$ 2,610,101 |

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

SILVER VIPER MINERALS CORP.
STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)

For the period from incorporation on
April 26, 2016 to December 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|------------------------------------------------------|-----------------|
| Loss for the period | \$ (21,800) |
| Items not affecting cash: | |
| Changes in non-cash working capital items: | |
| Increase in receivables | (1,974) |
| Increase in accounts payable and accrued liabilities | <u>1,139</u> |
| Cash used in operating activities | <u>(22,635)</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|-----------------------------------------------|-----------------|
| Payment for exploration and evaluation assets | <u>(86,500)</u> |
| Cash used in investing activities | <u>(86,500)</u> |

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|-------------------------------------------------------------------|------------------|
| Proceeds from issuance of common shares, net of share issue costs | <u>2,506,901</u> |
| Cash provided by financing activities | <u>2,506,901</u> |

| | |
|-------------------------------------------|---------------------|
| Increase in cash during the period | 2,397,766 |
| Cash, beginning of period | <u>-</u> |
| Cash, end of period | <u>\$ 2,397,766</u> |

Supplemental disclosure with respect to cash flows (Note 7)

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

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Silver Viper Minerals Corp. (the “Company”) was incorporated under the laws of the Province of British Columbia, Canada on April 26, 2016. The Company is in the process of completing an Initial Public Offering (Note 12). The Company’s principal business activities include the acquisition and exploration of mineral properties in Mexico.

The head office of the Company is located at Suite 1130 - 1055 West Hastings Street, Vancouver, BC, Canada, V6C 2E9. The registered address and records office of the Company is located at Suite 704, Park Place, 595 Howe Street, Vancouver, BC, Canada V6C 2T5.

These financial statements were authorized for issue by the Company’s Board of Directors on April 25, 2017.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has been successful in raising funds from incorporation to date, but will require additional funding for continued exploration and working capital purposes in future periods. However, management believes that the Company’s current working capital is sufficient to fund activities for the ensuing twelve months.

2. BASIS OF PREPARATION

These financial statements have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements have been prepared on a historical cost basis, except financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Critical Accounting Estimates

The preparation of these financial statements in accordance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) 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) The fair value determination of common shares issued. The Company estimates the fair value of shares issued pursuant to exploration and evaluation asset option agreements with reference to private placements with arm’s length parties, until such time that an active market is established for the Company’s shares.

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (cont'd...)

Foreign exchange

The functional currency is the currency of the primary economic environment in which the Company operates. The functional currency of the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the results of operations.

3. SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation assets

The Company is currently in the exploration stage with its mineral property interest. Exploration and evaluation costs will include the costs of acquiring concessions, costs incurred to explore and evaluate properties, and the fair value, upon acquisition, of mineral properties acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore an area will be recognized in the statement of loss and comprehensive loss.

Exploration and evaluation expenditures are expensed in the period they are incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or an asset acquisition. Significant property acquisition costs are capitalized only to the extent that such costs can be directly attributed to an area of interest where it is considered likely to be recoverable by future exploitation or sale.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell ("FVLCS") and value in use ("VIU"). FVLCS is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss. The Company has classified its cash at fair value through profit or loss.

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of loss and comprehensive loss.

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the results of operations.

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial assets (cont'd...)

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the results of operations.

Other financial liabilities: This category includes accounts payable and accrued liabilities, all of which are recognized at amortized cost.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants.

The fair value of stock options granted to directors, officers, employees and consultants is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period as expense, with a corresponding increase in reserves. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payments. Otherwise, share-based payments are measured at the fair value of goods or services received.

Earnings (loss) per share

Basic earnings (loss) per share ("EPS") is calculated using the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive instruments. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive instruments are used to repurchase common shares at the average market price during the period. In periods where a loss is reported, diluted loss per share is the same as basic loss per share because the effects of potentially dilutive common shares would be anti-dilutive.

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

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 shareholders' 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 periods.

Deferred tax is recorded by 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 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. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

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.

Segment reporting

The Company operates in a single reportable operating segment – the acquisition, exploration and evaluation of mineral properties in Mexico.

New standards not yet adopted

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements:

IFRS 9 Financial Instruments ("IFRS 9")

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2013. IFRS 9 has a tentative effective date of January 1, 2018 with early adoption permitted.

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

On August 23, 2016, the Company signed a letter of intent (“LOI”) with Riverside Resources Inc. (“Riverside”) which has been superseded by a definitive agreement (the “Agreement”) on September 30, 2016 and as amended on December 2, 2016 (“Execution date”), with respect to Riverside’s Clemente project (the “Property”) in Sonora, Mexico. The Company has the right to earn 100% undivided interest in the Property subject to regulatory approval. Commitments under the Agreement are as follows:

| Time/Date | Cash | Common Shares | Annual Work |
|-----------------------------------|-------------------|--------------------|---------------------|
| LOI | \$ 15,000 (paid) | - | \$ - |
| Execution date of Agreement | 25,000 (paid) | 1,000,000 (issued) | - |
| Execution date Year 1 anniversary | 50,000 | - | 350,000 |
| Execution date Year 2 anniversary | 75,000 | - | 500,000 |
| Execution date Year 3 anniversary | 100,000 | - | 750,000 |
| Execution date Year 4 anniversary | 150,000 | 250,000 | 1,000,000 |
| Execution date Year 5 anniversary | 335,000 | 750,000 | 1,400,000 |
| Total | \$ 750,000 | 2,000,000 | \$ 4,000,000 |

On execution of the Agreement, the Company also made a one-time payment of \$46,500 for concession taxes owing on the Property. This amount has been capitalized as part of the Company’s acquisition costs relating to the Property, but will be credited against the annual work requirement stipulated in the Agreement.

The Agreement also stipulates a requirement for the Company to complete minimum drilling on the Property of 2,500 meters by the Year 2 anniversary of the Execution date. Further, Riverside will retain a 2.0% net smelter return (“NSR”) royalty, 100% of which can be purchased by the Company for \$4,000,000 at any time before the Year 5 anniversary of the Execution date or \$3,000,000 after the Year 5 anniversary but before the Year 8 anniversary of the Execution date.

5. SHARE CAPITAL AND RESERVES**Authorized**

Unlimited number of common shares without par value

Unlimited number of preferred shares without par value

Issued

On April 26, 2016, the Company issued 1 common share for \$1.00 on incorporation. This common share is subject to escrow restriction upon completion of the Initial Public Offering, and will be released from escrow with all other escrowed securities in tranches over a period of 36 months from the Company’s listing on the TSX Venture Exchange.

On June 13, 2016, the Company completed a private placement for a total of 10,000,000 common shares at a price of \$0.01 per share, for total proceeds of \$100,000. These common shares are subject to escrow restriction upon completion of the Initial Public Offering, which will be released from escrow in tranches over a period of 36 months from the Company’s listing on the TSX Venture Exchange.

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (cont'd)

Issued (cont'd...)

On September 9, 2016, the Company completed a private placement for a total of 17,072,800 common shares at a price of \$0.125 per share, for total proceeds of \$2,134,100.

On September 30, 2016, the Company completed a private placement for a total of 2,375,000 common shares at a price of \$0.125 per share, for total proceeds of \$296,875. 2,180,000 of these common shares are subject to escrow restriction upon completion of the Initial Public Offering, which will be released from escrow in tranches over a period of 36 months from the Company's listing on the TSX Venture Exchange.

The Company recognized share issue costs totalling \$24,075 in connection with the private placements completed.

On December 1, 2016, the Company issued 1,000,000 shares at a fair value of \$125,000 (\$0.125 per share) in connection with the Agreement (Note 4).

Stock options

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the board of directors has the discretion to issue the equivalent of up to 10% of the issued and outstanding shares of the Company from time to time. Stock options are granted with term of up to ten years and are exercisable at a price that is not less than the market price on the date granted.

Vesting terms are determined at the discretion of the board of directors. Options issued to consultants providing investor relations services must vest in stages over a minimum of twelve months with no more than one-quarter of the options vesting in any three-month period.

There were no stock options granted during the period from the date of incorporation on April 26, 2016 to December 31, 2016.

6. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company may invest its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements.

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern. Although the Company management has been successful at raising funds in the past through issuance of share capital, it is uncertain whether it will continue this financing due to uncertain economic conditions.

SILVER VIPER MINERALS CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016
(Expressed in Canadian Dollars)

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the period ended December 31, 2016, the Company issued 1,000,000 shares at a fair value of \$125,000 pursuant to the Agreement (Note 4).

There were no other significant non-cash transactions during the period from the date of incorporation on April 26, 2016 to December 31, 2016.

8. RELATED PARTY TRANSACTIONS

During the period from the date of incorporation on April 26, 2016 to December 31, 2016, the Company entered into the following transactions with related parties, directors and key management personnel. Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include all directors and officers.

Compensation paid or payable to key management personnel for services rendered are as follows:

| | For the period from the date of incorporation on April 26, 2016 to December 31, 2016 |
|----------------------------|--------------------------------------------------------------------------------------------------|
| Geological consulting fees | \$ 4,000 |
| Total | \$ 4,000 |

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

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

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).

Fair value of financial instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of accounts payable and accrued liabilities approximates its fair values due to the short-term maturity of the financial instruments.

SILVER VIPER MINERALS CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016
(Expressed in Canadian Dollars)

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Concentrations of business risk

The Company maintains its cash with a major Canadian financial institution. Deposits held with this institution may exceed the amount of insurance provided on such deposits.

Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk is low because its receivables are primarily comprised of goods and services tax (GST), which are recoverable from the governing body in Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Foreign exchange risk

The Company is not subject to significant foreign exchange risk.

Interest rate risk

The Company limits its exposure to interest rate risk by holding cash deposits at major Canadian financial institutions and accordingly is not subject to significant interest rate risk.

Price risk

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

10. SEGMENTED INFORMATION

The Company's one reportable operating segment is the acquisition and exploration of mineral properties. Geographic information is as follows:

| | For the period from the date of incorporation on April 26, 2016 to December 31, 2016 |
|-----------------------------------|--------------------------------------------------------------------------------------------------------|
| Exploration and evaluation assets | |
| Mexico | \$ 211,500 |
| Canada | - |

SILVER VIPER MINERALS CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON APRIL 26, 2016 TO DECEMBER 31, 2016

(Expressed in Canadian Dollars)

11. INCOME TAXES

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

| | For the period from the date of incorporation on April 26, 2016 to December 31, 2016 |
|---------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Basic statutory and provincial income tax rate | 26% |
| Loss for the period | \$ (21,800) |
| Expected tax expense (recovery) | \$ (6,000) |
| Share issue costs | (6,000) |
| Change in unrecognized deductible temporary differences | 12,000 |
| Deferred tax expense (recovery) | \$ - |

The significant components of the Company's unrecognized deductible temporary differences and tax losses are as follows:

| | December 31, 2016 | Expiry |
|-------------------------------------------------|-------------------|-----------|
| Exploration and evaluation assets | \$ 10,000 | No expiry |
| Share issue costs | \$ 19,000 | 2037-2040 |
| Non-capital losses available for future periods | \$ 17,000 | 2036 |

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

12. EVENTS AFTER THE REPORTING PERIOD

The Company is in the process of filing a prospectus offering of a minimum of 24,000,000 common shares and a maximum of 40,000,000 common shares (46,000,000 with the over-allotment option) at a price of \$0.25 per share (the "Offering"). The Company will pay the Agent a commission equal to 6% of the gross funds raised from the Offering and a corporate finance fee of \$100,000 upon closing the Offering. The Company will reimburse the Agent for its legal fees and expenses incurred in connection with the Offering.

SILVER VIPER MINERALS CORP.

Condensed Interim Financial Statements
(Expressed in Canadian Dollars - Unaudited)

March 31, 2017

STATEMENTS OF FINANCIAL POSITION

As at

(Expressed in Canadian Dollars - Unaudited)

| | March 31, 2017 | December 31, 2016 |
|---------------------------------------------------|---------------------|----------------------|
| ASSETS | | |
| Current | | |
| Cash | \$ 2,312,020 | \$ 2,397,766 |
| Receivables | <u>6,098</u> | <u>1,974</u> |
| | 2,318,118 | 2,399,740 |
| Exploration and evaluation assets (Note 4) | <u>211,500</u> | <u>211,500</u> |
| | <u>\$ 2,529,618</u> | <u>\$ 2,611,240</u> |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities | <u>\$ 1,139</u> | <u>\$ 1,139</u> |
| Shareholders' equity | | |
| Share capital (Note 5) | 2,631,901 | 2,631,901 |
| Deficit | <u>(103,422)</u> | <u>(21,800)</u> |
| | <u>2,528,479</u> | <u>2,610,101</u> |
| | <u>\$ 2,529,618</u> | <u>\$ 2,611,240</u> |

Nature and continuance of operations (Note 1)

Events after the reporting period (Note 10)

Approved and authorized on behalf of the board:

| | | | |
|-----------------------|----------|------------------------|----------|
| <u>/s/ Steve Cope</u> | Director | <u>/s/ Ross Wilmot</u> | Director |
| Steve Cope | | Ross Wilmot | |

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

SILVER VIPER MINERALS CORP.
INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
Three Months Ended March 31, 2017
(Expressed in Canadian Dollars - Unaudited)

| | Three Months ended March 31, 2017 |
|---------------------------------------------------------------------------------|-----------------------------------------|
| EXPLORATION EXPENSES | |
| General exploration | \$ 23,621 |
| | <u>23,621</u> |
| GENERAL EXPENSES | |
| Filing fees | 42,540 |
| Foreign exchange | 1,210 |
| Office and administrative | 7,595 |
| Professional fees | <u>8,848</u> |
| | <u>60,193</u> |
| | <u>(83,814)</u> |
| Interest income | <u>2,192</u> |
| Loss and comprehensive loss for the period | <u>\$ (81,622)</u> |
| Basic and diluted loss per common share | <u>\$ (0.00)</u> |
| Weighted average number of common shares outstanding - basic and diluted | <u>30,447,801</u> |

No comparative financial information is available as the Company was incorporated on April 26, 2016.

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

SILVER VIPER MINERALS CORP.**INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

For the period from incorporation on April 26, 2016 to December 31, 2016 and the three months' period ended March 31, 2017
(Expressed in Canadian Dollars- Unaudited)

| | Common Shares | Share Capital | Deficit | Total Shareholders' Equity |
|-----------------------------------------------------|--------------------------|----------------------|----------------|-------------------------------------------|
| Balance, April 26, 2016 (Note 1) | - | \$ - | \$ - | - |
| Issuance of incorporation share | 1 | 1 | - | 1 |
| Private placements | 29,447,800 | 2,530,975 | - | 2,530,975 |
| Shares issuance costs | - | (24,075) | - | (24,075) |
| Shares issued for exploration and evaluation assets | 1,000,000 | 125,000 | - | 125,000 |
| Loss and comprehensive loss | - | - | (21,800) | (21,800) |
| Balance, December 31, 2016 | 30,447,801 | 2,631,901 | (21,800) | 2,610,101 |
| Loss and comprehensive loss | - | - | (81,622) | (81,622) |
| Balance, March 31, 2017 | 30,447,801 | \$ 2,631,901 | \$ (103,422) | \$ 2,528,479 |

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

SILVER VIPER MINERALS CORP.
INTERIM STATEMENTS OF CASH FLOWS
Three Months Ended March 31, 2017
(Expressed in Canadian Dollars - Unaudited)

| | Three Months Ended March 31, 2017 |
|---------------------------------------------|-----------------------------------------|
| <hr/> | |
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Loss for the period | \$ (81,622) |
| Changes in non-cash working capital items: | |
| Increase in receivables | <u>(4,124)</u> |
| Cash used in operating activities | <u>(85,746)</u> |
| Decrease in cash during the period | (85,746) |
| Cash, beginning of period | <u>2,397,766</u> |
| Cash, end of period | <u>\$ 2,312,020</u> |

Supplemental disclosure with respect to cash flows (Note 7)

No comparative financial information is available as the Company was incorporated on April 26, 2016.

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

SILVER VIPER MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(Expressed in Canadian Dollars - Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Silver Viper Minerals Corp. (the “Company”) was incorporated under the laws of the Province of British Columbia, Canada on April 26, 2016. The Company is in the process of completing an Initial Public Offering (Note 10). The Company’s principal business activities include the acquisition and exploration of mineral properties in Mexico.

The head office of the Company is located at Suite 1130 - 1055 West Hastings Street, Vancouver, BC, Canada, V6C 2E9. The registered address and records office of the Company is located at Suite 704, 595 Howe Street, Vancouver, BC, Canada V6C 2T5.

These financial statements were authorized for issue by the Company’s Board of Directors on July 14, 2017.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has been successful in raising funds from incorporation to date, but will require additional funding for continued exploration and working capital purposes in future periods. However, management believes that the Company’s current working capital is sufficient to fund activities for the ensuing twelve months.

2. BASIS OF PREPARATION

These condensed interim financial statements, (the “financial statements”) including comparatives, have been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with IFRS as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These financial statements have been prepared following the same accounting policies and methods of computation as the audited financial statements for the period from incorporation on April 26, 2016 to December 31, 2016.

These financial statements have been prepared on a historical cost basis, except financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Critical Accounting Estimates

The preparation of these financial statements in accordance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) 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) The fair value determination of common shares issued. The Company estimates the fair value of shares issued pursuant to exploration and evaluation asset option agreements with reference to private placements with arm’s length parties, until such time that an active market is established for the Company’s shares.

SILVER VIPER MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(Expressed in Canadian Dollars - Unaudited)

2. BASIS OF PREPARATION (cont'd...)

Foreign exchange

The functional currency is the currency of the primary economic environment in which the Company operates. The functional currency of the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the results of operations.

3. SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation assets

The Company is currently in the exploration stage with its mineral property interest. Exploration and evaluation costs will include the costs of acquiring concessions, costs incurred to explore and evaluate properties, and the fair value, upon acquisition, of mineral properties acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore an area will be recognized in the statement of loss and comprehensive loss.

Exploration and evaluation expenditures are expensed in the period they are incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or an asset acquisition. Significant property acquisition costs are capitalized only to the extent that such costs can be directly attributed to an area of interest where it is considered likely to be recoverable by future exploitation or sale.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell ("FVLCS") and value in use ("VIU"). FVLCS is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

SILVER VIPER MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(Expressed in Canadian Dollars - Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss. The Company has classified its cash at fair value through profit or loss.

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of loss and comprehensive loss.

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the results of operations.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial assets (cont'd...)

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the results of operations.

Other financial liabilities: This category includes accounts payable and accrued liabilities, all of which are recognized at amortized cost.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants.

The fair value of stock options granted to directors, officers, employees and consultants is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period as expense, with a corresponding increase in reserves. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payments. Otherwise, share-based payments are measured at the fair value of goods or services received.

Earnings (loss) per share

Basic earnings (loss) per share ("EPS") is calculated using the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive instruments. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive instruments are used to repurchase common shares at the average market price during the period. In periods where a loss is reported, diluted loss per share is the same as basic loss per share because the effects of potentially dilutive common shares would be anti-dilutive.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

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 shareholders' 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 periods.

Deferred tax is recorded by 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 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. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

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.

Segment reporting

The Company operates in a single reportable operating segment – the acquisition, exploration and evaluation of mineral properties in Mexico.

New standards not yet adopted

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements:

IFRS 9 Financial Instruments ("IFRS 9")

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2013. IFRS 9 has a tentative effective date of January 1, 2018 with early adoption permitted.

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4. EXPLORATION AND EVALUATION ASSETS

On August 23, 2016, the Company signed a letter of intent (“LOI”) with Riverside Resources Inc. (“Riverside”) which has been superseded by a definitive agreement (the “Agreement”) on September 30, 2016 and as amended on December 2, 2016 (“Execution date”), with respect to Riverside’s Clemente project (the “Property”) in Sonora, Mexico. The Company has the right to earn 100% undivided interest in the Property subject to regulatory approval. Commitments under the Agreement are as follows:

| Time/Date | Cash | Common Shares | Annual Work |
|-----------------------------------|-------------------|--------------------|---------------------|
| LOI | \$ 15,000 (paid) | - | \$ - |
| Execution date of Agreement | 25,000 (paid) | 1,000,000 (issued) | - |
| Execution date Year 1 anniversary | 50,000 | - | 350,000 |
| Execution date Year 2 anniversary | 75,000 | - | 500,000 |
| Execution date Year 3 anniversary | 100,000 | - | 750,000 |
| Execution date Year 4 anniversary | 150,000 | 250,000 | 1,000,000 |
| Execution date Year 5 anniversary | 335,000 | 750,000 | 1,400,000 |
| Total | \$ 750,000 | 2,000,000 | \$ 4,000,000 |

On execution of the Agreement, the Company also made a one-time payment of \$46,500 for concession taxes owing on the Property. This amount has been capitalized as part of the Company’s acquisition costs relating to the Property, but will be credited against the annual work requirement stipulated in the Agreement.

The Agreement also stipulates a requirement for the Company to complete minimum drilling on the Property of 2,500 meters by the Year 2 anniversary of the Execution date. Further, Riverside will retain a 2.0% net smelter return (“NSR”) royalty, 100% of which can be purchased by the Company for \$4,000,000 at any time before the Year 5 anniversary of the Execution date or \$3,000,000 after the Year 5 anniversary but before the Year 8 anniversary of the Execution date.

5. SHARE CAPITAL AND RESERVES**Authorized**

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

Issued

On April 26, 2016, the Company issued 1 common share for \$1.00 on incorporation.

On June 13, 2016, the Company completed a private placement for a total of 10,000,000 common shares at a price of \$0.01 per share, for total proceeds of \$100,000. These common shares are subject to escrow restriction upon completion of the Initial Public Offering, which will be released from escrow in tranches over a period of 36 months from the Company’s listing on the TSX Venture Exchange.

On September 9, 2016, the Company completed a private placement for a total of 17,072,800 common shares at a price of \$0.125 per share, for total proceeds of \$2,134,100.

On September 30, 2016, the Company completed a private placement for a total of 2,375,000 common shares at a price of \$0.125 per share, for total proceeds of \$296,875. Disclose every detail.

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5. SHARE CAPITAL AND RESERVES (cont'd)

Issued (cont'd...)

The Company recognized share issue costs totalling \$24,075 in connection with the private placements completed.

On December 1, 2016, the Company issued 1,000,000 shares at a fair value of \$125,000 (\$0.125 per share) in connection with the Agreement (Note 4).

During the three months ended March 31, 2017, no shares were issued.

Stock options

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the board of directors has the discretion to issue the equivalent of up to 10% of the issued and outstanding shares of the Company from time to time. Stock options are granted with term of up to ten years and are exercisable at a price that is not less than the market price on the date granted.

Vesting terms are determined at the discretion of the board of directors. Options issued to consultants providing investor relations services must vest in stages over a minimum of twelve months with no more than one-quarter of the options vesting in any three-month period.

There were no stock options granted during the period from the date of incorporation on April 26, 2016 to December 31, 2016 and during the three months' period ended March 31, 2017

6. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company may invest its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements.

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern. Although the Company management has been successful at raising funds in the past through issuance of share capital, it is uncertain whether it will continue this financing due to uncertain economic conditions.

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the three months ended March 31, 2017, there were no significant non-cash transactions.

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8. RELATED PARTY TRANSACTIONS

There was no compensation paid or payable to key management personnel for services rendered during the three months' period ended March 31, 2017.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

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

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).

Fair value of financial instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of accounts payable and accrued liabilities approximates its fair values due to the short-term maturity of the financial instruments.

Concentrations of business risk

The Company maintains its cash with a major Canadian financial institution. Deposits held with this institution may exceed the amount of insurance provided on such deposits.

Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk is low because its receivables are primarily comprised of goods and services tax (GST), which are recoverable from the governing body in Canada.

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9. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd...)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Foreign exchange risk

The Company is not subject to significant foreign exchange risk.

Interest rate risk

The Company limits its exposure to interest rate risk by holding cash deposits at major Canadian financial institutions and accordingly is not subject to significant interest rate risk.

Price risk

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

10. EVENTS AFTER THE REPORTING PERIOD

On April 25, 2017, the Company filed its final prospectus relating to its initial public offering of a minimum of 24,000,000 common shares and a maximum of 40,000,000 common shares (46,000,000 with the over-allotment option) at a price of \$0.25 per share (the "Offering"). The Company will pay the Agent a commission equal to 6% of the gross funds raised from the Offering and a corporate finance fee of \$100,000 upon closing the Offering. The Company will reimburse the Agent for its legal fees and expenses incurred in connection with the Offering.

In July 2017, the Company amended the Offering for a minimum of 12,000,000 common shares and a maximum of 20,000,000 common shares (23,000,000 with the over-allotment option) at a price of \$0.25 per share. All other terms of the Offering remain unchanged with the exception of the corporate finance fee, which has been reduced to \$75,000. The Company anticipates filing an Amended and Restated final prospectus on July 21, 2017.

SCHEDULE "A" - AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of Silver Viper Minerals Corp. (the "Company") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company's independent external auditor (the "Auditor"); and
4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance and Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.
2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.
3. Recommend to the Board the compensation of the Auditor.
4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls and Operations of the Company

1. Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
 - (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
 - (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.
 - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.
2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.
4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

5. Make regular reports to the Board.
6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
7. Annually review the Committee's own performance.
8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

CERTIFICATE OF THE COMPANY

Dated: July 21, 2017

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

“Stephen Cope” (signed)

Stephen Cope
Chief Executive Officer

“Stephen Brohman” (signed)

Stephen Brohman
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Stephen Cope” (signed)

Stephen Cope
Director

“Stephen Brohman” (signed)

Stephen Brohman
Director

“Gary Cope” (signed)

Gary Cope
Director

“Arthur Freeze” (signed)

Arthur Freeze
Director

“N. Ross Wilmot” (signed)

N. Ross Wilmot
Director

CERTIFICATE OF PROMOTERS

Dated: July 21, 2017

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

“Gary Cope” (signed)

Gary Cope
Director

“Stephen Brohman” (signed)

Stephen Brohman
Director

CERTIFICATE OF THE AGENT

Dated: July 21, 2017

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

HAYWOOD SECURITIES INC.

“Kevin Campbell” (signed)

Kevin Campbell
Managing Director, Investment Banking