

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

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

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any securities law of any State of the United States. Accordingly, except as permitted under the Agency Agreement as defined herein, the securities offered hereby may not be offered or sold, directly or indirectly, in the United States of America, its territories, or its possessions, any State of the United States or the District of Columbia (the "United States"), or to, or for the account or benefit of, persons in the United States. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in the United States to, for the account or benefit, persons in the United States. See "Plan of Distribution".

**AMENDED AND RESTATED PRELIMINARY PROSPECTUS AMENDING AND RESTATING
A PRELIMINARY PROSPECTUS DATED JUNE 7, 2019**

INITIAL PUBLIC OFFERING

DATED: June 21, 2019

**NORTHWAY RESOURCES CORP.
#310 - 119 West Pender Street**

**Vancouver, British Columbia, V6B 1S5
Telephone: (604) 363-1779**

**20,000,000 Common Shares
Price: \$0.10 per Common Share
\$2,000,000**

This prospectus (the "**Prospectus**") qualifies for distribution and offering (the "**Offering**") to purchasers resident in British Columbia, Alberta and Ontario (the "**Offering Jurisdictions**"), and elsewhere as permitted by applicable law, through Haywood Securities Inc. ("**Haywood**") and Echelon Wealth Partners Inc. as co-lead agents (collectively the "**Agents**"), on a commercially reasonable efforts basis, of an aggregate of 20,000,000 common shares (the "**Offering**") of Northway Resources Corp. (the "**Company**"). The common shares (the "**Shares**") are being offered at \$0.10 per Share (the "**Offering Price**") for gross proceeds of \$2,000,000. The Offering Price was determined by negotiation between the Company and the Agents.

	Price to Public	Agents' Commission ⁽¹⁾	Net Proceeds to the Company ⁽²⁾
Per Share	\$0.10	\$0.007	\$0.093
Offering	\$2,000,000	\$140,000	\$1,860,000
Over-Allotment Option ⁽³⁾	\$300,000	\$21,000	\$279,000
Total	\$2,300,000	\$161,000	\$2,139,000

- (1) Pursuant to the terms and conditions of an agency agreement (the “**Agency Agreement**”) to be entered into between the Agents and the Company, the Company has agreed to pay to the Agents a commission (the “**Agents' Commission**”) equal to 7.0% of the gross proceeds of the Offering (including any gross proceeds raised on the exercise of the Over-Allotment Option (as defined below)). The Agents will also be paid a corporate finance fee of \$35,000 plus GST (the “**Corporate Finance Fee**”), and will be issued non-transferable warrants (the “**Agents' Warrants**”) to acquire common shares of the Company (the “**Agents' Warrant Shares**”) in an amount equal to 7.0% of the Shares sold in the Offering at an exercise price of \$0.10 per Share, exercisable for a period of 24 months from the Closing Date (as defined herein). The distribution of the Agents' Warrants is also qualified for distribution under this Prospectus. The Agents will also be reimbursed by the Company for their expenses incurred pursuant to the Offering, of which \$15,000 has been paid as a retainer. See “*Plan of Distribution*”.
- (2) Before deducting remaining estimated expenses of the Offering, including legal, accounting and audit costs, all filing fees with the TSX Venture Exchange (the “**Exchange**”) and of the securities commissions in the Offering Jurisdictions, the remaining amount of the Corporate Finance Fee and the Agents' expenses, estimated in aggregate at \$140,075. See “*Use of Proceeds*”.
- (3) The Company has granted to the Agents an over-allotment option (the “**Over-Allotment Option**”), exercisable on the day which is 30 days following the Closing Date, to sell up to a further 15% of the Shares sold pursuant to the Offering, at the Offering Price. This Prospectus also qualifies the grant of the Over-Allotment Option and the issuance of the Shares issuable upon exercise of the Over-Allotment Option. The table presents the “Price to the Public”, “Agents' Commission” and “Net Proceeds to the Company” should the Over-Allotment Option be exercised in full. Unless the context otherwise requires, when used herein, all references to the “Offering” include the exercise of the Over-Allotment Option, all references to “Shares” include any Shares issuable upon the exercise of the Over-Allotment Option. A purchaser who acquires Shares forming part of the agents' over-allotment position acquires those Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The Agents, as exclusive agents of the Company for the purposes of the Offering, offer the Shares for sale on a commercially reasonable efforts basis and subject to prior sale, if, as and when issued by the Company, in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*”. Subscriptions for Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. If the Offering is not completed within 90 days of the issuance of a receipt for the final Prospectus, or if a receipt has been issued for an amendment to the Prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of receipt for the final Prospectus, the distribution will cease, and all subscription monies will be returned to the subscribers without interest or deduction.

The following table sets forth the number of securities issuable to the Agents:

Agents' Position	Maximum size or number of securities available (assuming the exercise of the Over-Allotment Option)	Exercise period or acquisition date	Exercise price or average acquisition price
Agents' Warrants	1,610,000 Agents' Warrants	24 months following the Closing Date	\$0.10 per Agent's Warrant Share

Agents' Position	Maximum size or number of securities available (assuming the exercise of the Over-Allotment Option)	Exercise period or acquisition date	Exercise price or average acquisition price
Over-Allotment Option	3,000,000 Shares	30 days for the Closing Date	\$0.10 per Share
Any other option granted by the Company or insider of the Company to the Agents	Nil	Nil	Nil
Total securities under option issuable to the Agents	1,610,000 Agents' Warrants and 3,000,000 Shares	-	\$0.10

AN INVESTMENT IN SHARES SHOULD BE CONSIDERED SPECULATIVE DUE TO THE NATURE OF THE BUSINESS OF THE COMPANY, ITS PRESENT STAGE OF DEVELOPMENT AND OTHER RISK FACTORS.

AN INVESTMENT IN NATURAL RESOURCE COMPANIES INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE COMPANY'S PROPERTIES ARE IN THE EXPLORATION STAGE AS OPPOSED TO THE DEVELOPMENT STAGE. ALL OF THE PROPERTIES OF THE COMPANY ARE IN THE EXPLORATION OR PRE-EXPLORATION STAGE AND ARE 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".

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

The Company has applied to the TSX Venture Exchange to conditionally approve a listing of the Shares being offered under this Prospectus. The listing is subject to the Company fulfilling all of the listing requirements of the Exchange including prescribed distribution and financial requirements.

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, 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.

In connection with the Offering, the Company and Haywood are "related issuers" under National Instrument 33-105 – Underwriting Conflicts ("NI 33-105"). The Company and Haywood are related issuers by virtue of the fact that employees of Haywood collectively are influential shareholders of the Company and of a controlling shareholder of the Company, being Kenorland Minerals Ltd. . See "Relationship between the Company and the Agents".

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

Certain legal matters relating to the Offering have been reviewed on behalf of the Company by S. Paul Simpson Law Corporation of Vancouver, British Columbia and on behalf of the Agents by Getz Prince

Wells LLP, Vancouver, British Columbia. No person is authorized to provide any information or to make any representation in connection with this Offering other than as contained in this Prospectus.

Prospective purchasers should rely only on the information contained in this Prospectus. Neither the Agents nor the Company has authorized anyone to provide prospective purchasers with different information from that contained in this Prospectus. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery and that the Company's business, financial condition, results of operations and prospects may have changed since that date.

At the closing, the Shares distributed under this Prospectus will be available for delivery in book-entry form or the non-certificated inventory system of CDS Clearing and Depository Services Inc. ("CDS") or, its nominee, and will be deposited in electronic form. Purchasers of Shares will receive only a customer confirmation from the Agents as to the number of Shares subscribed for. Certificates representing the Shares in registered and definitive form will be issued in certain limited circumstances.

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ELIGIBILITY FOR INVESTMENT

In the opinion of S. Paul Simpson Law Corporation, counsel to the Company, on the Closing Date, provided that the Shares are on that date listed for trading on a designated stock exchange (which includes the Exchange), the Shares will be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("RRSP"), registered retirement income fund ("RRIF"), registered disability savings plan, deferred profit sharing plan, registered education savings plan or tax-free savings account ("TFSA"), all as defined in the Tax Act (collectively, the "Investment Plans").

If the Shares are a "prohibited investment" (as defined in the Tax Act) for a trust governed by a TFSA, RRSP or RRIF (a "Registered Plan"), the holder of the TFSA or the annuitant of the RRSP or RRIF, as the case may be, (such holder or annuitant being a "Controlling Individual" of the Registered Plan) will be subject to a penalty tax on the Shares as set out in the Tax Act. A Share will generally not be a prohibited investment for a trust governed by a Registered Plan held by a particular holder provided that the Controlling Individual deals at arm's length with the Company for the purposes of the Tax Act and does not have a "significant interest" (as defined in the Tax Act) in either the Company or a corporation, partnership or trust that does not deal at arm's length with the Company for purposes of the Tax Act. In general terms, a Controlling Individual of a Registered Plan will have a significant interest in the Company if the Registered Plan, the Controlling Individual, and other persons not at arm's length with the Controlling Individual together, directly or indirectly, own not less than 10% of the outstanding Shares of the Company.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements that relate to the Company's current expectations and views of future events. The forward-looking statements are contained principally in the sections entitled "*Summary of Prospectus*", "*Description of the Business*", "*Use of Proceeds*", "*Selected Financial Information and Management's Discussion and Analysis*" and "*Risk Factors*".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the intention to complete the listing of the Shares on the Exchange and all transactions related thereto;
- the terms, conditions and completion of the Offering, the timing of the Closing Date and the use of proceeds from the Offering;
- the Company's expectation that the proceeds of the Offering and/or revenues derived from its operations will be sufficient to cover its expenses over the next twelve months;
- the success of the Company's exploration activities and programs;
- the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits;
- the estimates of expected or anticipated economic returns from a mining project, as reflected in feasibility studies or other reports prepared in relation to development of projects;

- projections of market prices and costs for the Company's products and the future market for gold and other precious metals and conditions affecting same;
- permitting timelines;
- currency fluctuations;
- requirements for additional capital and the Company's expectations regarding its ability to raise capital;
- the Company's plans and expectations for the Healy Project;
- the Company's assessment of potential environmental liabilities on the Healy Project;
- statements relating to the business and future activities of, and developments related to the Company after the date of this Prospectus and thereafter;
- timing and costs associated with completing exploration work on the Healy Project;
- the Company's plan to pursue exploration activities on the Healy Project; including statements of the Company's intent to develop the Healy Project or put the Healy Project into commercial production; and
- the Company's expected business objectives for the next twelve months.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. In making the forward-looking statements included in this Prospectus, the Company has made various material assumptions, including but not limited to (i) obtaining necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business and economic conditions; (iv) the Company's ability to successfully execute its plans and intentions; (v) the availability of financing on reasonable terms; (vi) the Company's ability to attract and retain skilled staff; (vii) the accuracy of the interpretation of drilling and other results on the Healy Project; (viii) anticipated results of exploration activities and (ix) predictable changes to market prices for gold and precious metals and other predicted trends regarding factors underlying the market for such products.

Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements.

Given these risks, uncertainties and assumptions, prospective purchasers of Shares should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Risk Factors*", which include:

- the Company is an early stage company with little operating history, a history of losses and the Company cannot assure profitability;
- uncertainty about the Company's ability to continue as a going concern;

- the Company's actual financial position and results of operations may differ materially from the expectations of the Company's management;
- the Company expects to incur significant ongoing costs and obligations relating to the Healy Project;
- the Company may not be able to secure additional financing for current and future operations and capital projects;
- inherent uncertainties and risks associated with mineral exploration;
- the possibility that future exploration, development or mining results will not be consistent with the Company's expectations;
- volatility in the market prices for gold, precious metals and other natural resources;
- the risk that the Company's title to its properties could be challenged;
- risks related to the Company's ability to attract and retain qualified personnel;
- uncertainties related to global financial and economic conditions;
- risks associated with the Company being subject to government regulation, including changes in regulation, including changes in environmental laws and regulations;
- competition for, among other things, capital acquisitions of resources, undeveloped lands and skilled personnel;
- uninsured risks and hazards;
- risks relating to environmental regulation and liabilities;
- risks associated with potential conflicts of interest;
- the market price for Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control; and
- the Company does not anticipate paying cash dividends in the near future.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements.

Information contained in forward-looking statements in this Prospectus is provided as of the date of this Prospectus, and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable securities laws. Accordingly, potential investors should not place undue reliance on forward-looking statements or the information contained in those statements.

METRIC EQUIVALENTS

The following table sets forth the conversion from metric into imperial equivalents.

<u>To convert</u>	<u>To imperial measurement units</u>	<u>Multiply by</u>
Kilograms	Pounds	2.2046
Grams	Ounces (troy)	0.0353
Tonnes	Tons (short)	0.9072
Hectares	Acres	2.4711
Kilometers	Miles	0.6214
Meters	Feet	3.2808

ABBREVIATIONS

Ag	Silver	As	Arsenic
Au	Gold	Cu	Copper
EM	Electromagnetic	Fe	Iron
g/t	Grams per metric tonne	Ha	Hectares
Km	Kilometre	Ni	Nickel
Oz/t	Ounces per metric tonne	Pb	Lead
Ppb	Parts per billion	Ppm	Parts per million
Zn	Zinc		

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this Prospectus concerning the industry and the markets in which the Company operates, including its general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

Unless otherwise indicated, the Company's estimates are derived from publicly available information released by independent industry analysts and third-party sources as well as data from its internal research, and include assumptions made by the Company which it believes to be reasonable based on its knowledge of the industry and markets. The Company's internal research and assumptions have not been verified by any independent source, and the Company has not independently verified any third-party information. While the Company believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry and markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading "*Forward-Looking Statements*" and "*Risk Factors*".

FINANCIAL INFORMATION

The Company prepares its financial statements, which are incorporated by reference into this Prospectus, in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

The historical financial statements of the Issuer included in this Prospectus are reported in Canadian dollars and have been prepared in accordance with IFRS.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (each as defined in NI 41-101) that are prepared in connection with the Offering are not part of this Prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus.

Any template version of any marketing materials that has been, or will be, filed on SEDAR before the termination of the distribution of the Shares under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus.

CURRENCY AND EXCHANGE RATE INFORMATION

Unless otherwise indicated, all references to “\$”, “CDN\$” or “dollars” in this Prospectus refer to Canadian dollars and references to “US\$” or “US dollars” refer to United States dollars. The Company’s accounts are maintained in Canadian dollars and in United States dollar.

The closing exchange rates for the USD to CDN dollar for the applicable periods are set forth below:

USD\$1.00 to CDN\$	Period from January 1, 2019 to the date prior to the date of this Prospectus	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
Low	1.3095	1.2288	1.2128	1.2536
High	1.3600	1.3642	1.3743	1.4559
Period End	1.3346	1.3642	1.2545	1.3427

The exchange rates as at June 20, 2019, as reported by the Bank of Canada for the conversion of Canadian dollars to United States dollars was CDN\$1.00 equals USD\$0.7493 or USD1.00 equals CDN\$1.3346.

GENERAL

Certain capitalized terms and phrases used in this Prospectus are defined in the “Glossary of Terms” beginning on the following page.

Prospective purchasers should rely only on the information contained in this Prospectus. Neither the Company nor the Agents have authorized any other person to provide additional or different information. If any person provides a prospective purchaser with additional or different or inconsistent information, including information or statements in media articles about the Company, such prospective purchaser should not rely on it.

Prospective purchasers should assume that the information appearing in this Prospectus is accurate only as at its date. The Company’s business, financial conditions, results of operations and prospects may have changed since that date.

GLOSSARY OF NON-TECHNICAL TERMS

The following terms used in this Prospectus have the meanings ascribed to them below. This Glossary of Terms is not exhaustive of the defined terms or expressions used in this Prospectus and other terms and expressions may be defined throughout this Prospectus.

“**Agency Agreement**” means the agency agreement among the Company and the Agents dated [redacted] pursuant to which the Agents have agreed to act as the Company’s co-lead agents in respect of the Offering.

“**Agents**” means collectively Haywood and Echelon Wealth Partners Inc.

“**Agents’ Commission**” means the cash commission payable to the Agents in respect of the completion of the Offering pursuant to the Agency Agreement, as more fully described under “*Plan of Distribution*”.

“**Agents’ Warrants**” means the warrants to purchase Shares of the Company issued to the Agents as more fully described under “*Plan of Distribution*”.

“**Agents’ Warrant Shares**” means the common shares of the Company issuable upon exercise of the Agents’ Warrants.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended from time to time.

“**Board**” means the board of directors of the Company.

“**Closing**” means the completion of the Offering.

“**Closing Date**” means the date on which the Closing occurs, as mutually determined by the Company and the Agents.

“**Company**” means Northway Resources Corp., a company incorporated under the laws of the Province of British Columbia.

“**Computershare**” means Computershare Investor Services, a trust company having an office in Vancouver, British Columbia and the Company’s registrar and transfer agent and escrow agent.

“**Corporate Finance Fee**” means the corporate finance fee of \$35,000 plus GST charged to the Company by the Agents in consideration of corporate finance structuring and administrative services provided by the Agents.

“**Effective Date**” means the date of issue of the final receipt by the Securities Commissions for this Prospectus.

“**Engagement Letter**” means the engagement letter between the Company and the Agents dated April 9, 2019 in respect of the Offering, which is superseded in its entirety by the Agency Agreement.

“**Escrow Agent**” means Computershare Investor Services Inc.

“**Escrow Agreement**” means the escrow agreement dated May 13, 2019 among the Company, the Escrow Agent and certain of the Principals as more fully described under “*Escrowed Securities*”.

“**Exchange**” means the TSX Venture Exchange.

“Forward-Looking Information” means statements contained in this Prospectus that are not historical facts and are forward-looking statements or forward-looking information.

“Haywood” means Haywood Securities Inc.

“Insider” if used in relation to an Issuer, means:

- (a) a director or senior officer of an issuer;
- (b) a director or senior officer of the company that is an Insider or subsidiary of an issuer;
- (c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of an issuer;

or

- (d) an issuer itself if it holds any of its own securities.

“Healy Project” means the minerals claims located the Goodpaster Mining District in Alaska and comprising of 198 State of Alaska mining and 30 State selected claims which are held by Newmont, all as more particularly described in the Healy Report.

“Healy Report” means the geological report titled “NI 43-101 Technical Report for the Healy Gold Project” dated December 15, 2018 as prepared for the Company by Curtis J. Freeman, BA, MS P. Geo. Of Avalon Development Corp. in respect of the Healy Project.

“Kenorland” means Kenorland Minerals Ltd., a private mineral exploration company incorporated pursuant to the BCBCA and a party to the Services Agreement.

“Listing Date” means the date on which the Shares are listed for trading on the Exchange.

“Named Executive Officer” or **“NEO”** means for every reporting issuer, the following individuals: (a) its CEO; (b) its CFO and (c) each of its three most highly compensated executive officers, other than the CEO and CFO, whose total salary and bonus exceeded \$150,000; and in the case of the Company means Zachary Flood and Enoch Kong.

“Newmont” means Newmont North America Exploration Ltd., a company incorporated pursuant to the law of the State of Delaware and the registered owner and optionor of the Healy Project.

“NI 33-105” means National Instrument 33-105 *Underwriting Conflicts*.

“NI 43-101” means National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

“NP 46-201” means National Policy 46-201, *Escrow for Initial Public Offerings*.

“NI 52-110” means National Instrument 52-110, *Audit Committees*.

“Northway Subsidiary” means Northway Resources Alaska Corporation, a wholly owned subsidiary of the Company incorporated pursuant to the laws of the State of Alaska.

“Offering” means the offering of 20,000,000 Shares of the Company as more fully described under *“Plan of Distribution”*, not including the issuance of Shares pursuant to the Over-Allotment Option.

“Offering Jurisdictions” means British Columbia, Alberta and Ontario.

“Offering Price” means \$0.10 per Share, the price at which the Shares are being offered for sale under this Prospectus.

“Option” means the sole and exclusive option to acquire up to a 70% interest in the Healy Project granted by Newmont to the Company pursuant to the Option Agreement.

“Option Agreement” means the venture agreement dated July 31, 2018, as amended May 10, 2019, between the Company and Newmont pursuant to which Newmont has granted to the Company the Option and the Company and Newmont will conduct exploration upon and operate the Healy Project.

“Option Period” means the period commencing on the date of the Option Agreement and ending December 31, 2022.

“Over-Allotment Option” means the option granted by the Company to the Agents for a period of 30 days following the Closing Date to sell up to an additional number of Shares equal to 15% of the Shares sold in the Offering on the same terms.

“Principal” means, with respect to the Company:

- (a) a person or company who acted as a promoter of the Company within two years of the initial public offering prospectus
- (b) the directors and senior officers of the Company or any of its material operating subsidiaries;
- (c) promoters of the Company during the two years preceding this Offering;
- (d) those who own or control more than 10% of the Company's voting securities immediately before and immediately after completion of this Offering if they also have elected or appointed or have the right to elect or appoint a director or senior officer of the Company;
- (e) those who own or control more than 20% of the Company's voting securities immediately before and immediately after completion of this Offering; and
- (f) associates and affiliates of any of the above.

being in this case, each of Zachary Flood, Jamie Levy, Rick Trotman, Jay Sujir, Jessica Van Den Akker, Enoch Kong, Luke Van Der Meer and their respective spouses and other immediate family living at the same address, and Kenorland.

“Prospectus” means this amended and restated preliminary prospectus of the Company dated June 21, 2019 amending and restating a preliminary prospectus dated June 7, 2019.

“Securities Commissions” means the securities regulatory authorities in each of the Offering Jurisdictions.

“SEDAR” means the System for Electronic Document Analysis and Retrieval, as located on the internet at www.sedar.com.

“Services Agreement” means the consulting services agreement dated July 31, 2018 between the Company and Kenorland pursuant to which Kenorland provides certain exploration consulting services to the Company in relation to the Healy Project.

“**Share**” means a common share in the authorized share structure of the Company.

“**Stock Option Plan**” means the 10% rolling stock option plan adopted by the Company.

“**Tax Act**” means the *Income Tax Act* (Canada) as amended from time to time.

GLOSSARY OF TECHNICAL TERMS

Alteration means any change in the mineralogical composition of a rock that is brought about by physical or sediment, rock and core samples.

Andesite means an igneous, volcanic rock, of intermediate composition, with aphanitic to porphyritic texture. The mineral assembly is typically dominated by plagioclase plus pyroxene and/ or hornblende. Biotite, quartz, magnetite, sphene are common accessory minerals. Alkali feldspar may be present in minor amounts.

Anomaly means a geological feature, especially in the subsurface, distinguished by geological, geophysical or geochemical means, which is different from the general surroundings and is often of potential economic value having a geochemical or geophysical character which deviates from regularity.

Argillite means a compact rock, derived either from mudstone or shale that has undergone a somewhat higher degree of induration than mudstone or shale, but is less clearly laminated and without its fissility and that lacks the cleavage distinctive of slate.

Assay means a laboratory analysis to determine the presence, absence or concentration of one or more elemental components, such as gold or copper.

Biotite means a common rock-forming mineral in crystalline rocks, either as an original crystal in igneous rocks or as a metamorphic product in gneisses and schists; also a common hydrothermal alteration mineral associated with some types of ore deposits.

Calcite means a mineral composed of calcium carbonate, CaCO₃.

Carbonate means a mineral compound characterized by a fundamental anionic structure of CO₃, such as calcite.

Conglomerate means detrital sedimentary rock made up of more or less rounded fragments of such size that an appreciable percentage of the rock volume consists of particles of pebble size or larger.

Deposit means a mineralized body which has been physically delineated by sufficient drilling, trenching and/ or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/ or development expenditures. A deposit does not qualify as a commercially mineable ore body or as containing reserves of ore, until final legal, technical and economic factors have been resolved.

Diamond Drill means a rotary type of rock drill that cuts a core of rock that is recovered in long cylindrical sections, two centimeters or more in diameter.

Diorite means an igneous rock that is of a ‘salt and pepper’ appearance and is composed primarily of sodium/calcium feldspar and mafic minerals with little or no quartz.

Dip means the maximum angle that a structural surface makes with the horizontal, measured perpendicular to the strike of the structure and in the vertical plane.

Disseminated means where the ore minerals (usually sulphides) occur disseminated through the host rock.

Epithermal means gold and/or silver and/or base metal mineralization caused by relatively low temperature hydrothermal fluids. Low, intermediate and high sulphidation represent a range of different chemical states for this type of mineralization. This type of deposit is typically spatially related to porphyry deposits.

Fault means a discrete surface or zone of discrete surfaces separating two rock masses across which one mass has slid past the other.

Formation means a distinct layer of sedimentary rock of similar composition.

Geochemical means the distribution and amounts of the chemical elements in minerals, ores, rocks, solids, water and the atmosphere.

Geophysical survey means a scientific method of prospecting that measures the physical properties of rock formations.

Geophysics means the study of the physical properties of rocks and minerals.

Grade means the concentration of an ore metal in a rock sample, given either as weight per cent for base metals or in grams per tonne for precious or platinum group metals.

Hornblende means a dark coloured iron-manganese rich rock-forming minerals of the amphibole family and a common constituent of mafic igneous and intrusive rocks.

Host means a rock or mineral that is older than rocks or minerals introduced into it.

Igneous means a classification of rocks formed from the solidification from a molten state. If the rock crystallizes within the crust, it is said to be intrusive, while if it flows onto the surface, it is extrusive.

Intrusive means a rock formed by the process of emplacement of magma in pre-existing rock.

Limestone means sedimentary rock composed of more than 50% calcium carbonate minerals.

Lithology means the rock type.

Mafic means an igneous rock composed chiefly of one or more ferromagnesian minerals, usually dark coloured and heavy.

Magnetic Survey is one of the tools used by exploration geophysicists in their search for mineral-bearing ore bodies; the essential feature is the measurement of the magnetic-field intensity. Geologists and geophysicists also routinely use it to tell them where certain rock types change and to map fault patterns.

Metamorphic means a change in structure or composition of rock as a result of heat and pressure.

Mineral means a naturally occurring inorganic crystalline material having a definite chemical composition.

Mineralization means the process or processes by which a mineral or minerals are introduced into a rock resulting in concentration of metals and their chemical compounds within a body of rock.

Ore means a metal or mineral, or a combination of these, of sufficient value as to quality and quantity to enable it to be mined at a profit under current economic and technical conditions.

Outcrop means that part of a geological formation or structure that appears at the surface of the earth; an exposure of bedrock at the surface.

Porphyry means an igneous rock of any composition that contains conspicuous larger crystals in a fine-grained mass.

Pyrite means iron disulfide, FeS_2 .

Pyroxene means a group of chiefly magnesium-iron minerals (including dioside, hedenbergite, augite and pigeonite) that are common rock-forming minerals.

Qualified Person refers to an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, has experience relevant to the subject matter of the mineral project and the technical report and is a member in good standing of a recognized professional association.

Quartz means a mineral, the composition of which is silicon dioxide, a crystalline form of silica, which frequently occurs in veins.

Sample means a small portion of rock or a mineral deposit taken so that the metal content can be determined by assaying.

Sampling means selecting a fractional but representative part of a mineral deposit for analysis.

Sedimentary Rock means a rock formed from the consolidation of material derived from pre-existing rocks by processes of denudation, transportation and sedimentation.

Sediment means solid material that has settled down from a state of suspension in a liquid. More generally, solid fragmental material transported and deposited by wind, water or ice, chemically precipitated from solution.

Silica means silicon dioxide.

Smelter means a facility where ore concentrates are processed to produce metals.

Strike means the direction or trend of a geologic structure.

Structure means the disposition of rock formations.

Sulphide means a group of minerals in which one or more metals are found in combination with sulphur.

Ultramafic means an intrusive rock rich in iron and magnesium and with much less silicon and aluminum than most crustal rocks.

Vein means a thin sheet like intrusion into a fissure or crack, commonly bearing quartz.

Volcanic means pertaining to the activities, structures or rock types of a volcano.

SUMMARY OF PROSPECTUS

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

The Company was incorporated under the BCBCA on May 29, 2018 under the name “Northway Resources Corp.” The principal business of the Company is the exploration and development of the Healy Project. The Company intends to fund exploration activities on the Healy Project using the proceeds of the Offering. See “*Description of the Business*” and “*Healy Project*”. To date, the principal business of the Company has been the acquisition of the Option, undertaking initial exploration of the Healy Project, and seeking to obtain a listing on the Exchange.

The Offering

Offering: 20,000,000 Shares

Offering Price: \$0.10 per Share

Offering Size: \$2,000,000 (before commissions, fees and expenses of the Offering). See “*Use of Proceeds – Funds Available*”.

Over-Allotment Option The Company has granted the Agents an option, exercisable in whole or in part, within 30 days following the Closing Date to sell up to an additional number of Shares equal to 15% of the Shares sold pursuant to the Offering on the same terms. See “*Plan of Distribution*”

Agents: Haywood Securities Inc. and Echelon Wealth Partners Inc. have been appointed to act as the Company’s exclusive co-lead agents pursuant to the Agency Agreement to conduct the Offering on a commercially reasonable efforts basis and will be paid the Agents’ Commission from the sale of the Shares sold pursuant to the Offering. See “*Plan of Distribution*”.

Agents’ Commission: A 7.00% cash commission will be paid to the Agents. In addition, the Company will pay to the Agents the Corporate Finance Fee in the amount of \$35,000 (plus GST). The Agents will also be granted the Agents’ Warrants to acquire the Agents’ Warrant Shares in an amount equal to 7.00% of the Shares sold in the Offering, at an exercise price of \$0.10 per Agents’ Warrant Share for a period of 24 months from the Closing Date. The distribution of the Agents’ Warrants is qualified under this Prospectus. See “*Plan of Distribution*”.

Listing: There is currently no market through which the Shares may be sold. The Company has applied to list its Shares on the Exchange. Listing is subject to the Company fulfilling all of the listing requirements of the Exchange.

See “*Plan of Distribution*”.

Use of Proceeds

The estimated net proceeds of the Offering (not including any exercise of the Over-Allotment Option) after deducting the Agents' Commission, the Corporate Finance Fee and the expected remaining costs of the Offering (estimated at \$140,075) will be \$1,683,175. The Company intends to use the net proceeds of the Offering together with the Company's approximate working capital as at May 31, 2019 of \$200,085 as follows:

Item	Amount
Exploration program on the Healy Project	\$486,000
Maintenance of secondary exploration property	\$9,310
Estimated general and administrative expenses over the 12 months following the Closing Date	\$360,000
Unallocated working capital	\$1,027,950
TOTAL	\$1,883,260

See "*Use of Proceeds*".

Eligibility for Investment

On the Closing Date, provided that the Shares are on that date listed for trading on a designated stock exchange (which includes the Exchange), the Shares will be qualified investments under the Tax Act for trusts governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), registered disability savings plan, deferred profit sharing plan, registered education savings plan or tax-free savings account ("**TFSA**"), all as defined in the Tax Act (collectively the "**Investment Plans**").

If the Shares are a "prohibited investment" (as defined in the Tax Act) for a trust governed by a TFSA, RRSP or RRIF (a "**Registered Plan**"), the holder of the TFSA or the annuitant of the RRSP or RRIF, as the case may be, (such holder or annuitant being a "**Controlling Individual**" of the Registered Plan) will be subject to a penalty tax on the Shares as set out in the Tax Act. A Share will generally not be a prohibited investment for a trust governed by a Registered Plan held by a particular holder provided that the Controlling Individual deals at arm's length with the Issuer for the purposes of the Tax Act and does not have a "significant interest" (as defined in the Tax Act) in either the Issuer or a corporation, partnership or trust that does not deal at arm's length with the Issuer for purposes of the Tax Act. In general terms, a Controlling Individual of a Registered Plan will have a significant interest in the Issuer if the Registered Plan, the Controlling Individual, and other persons not at arm's length with the Controlling Individual together, directly or indirectly, own not less than 10% of the outstanding Shares of the Issuer.

See "*Eligibility for Investment*". Prospective purchasers who intend to hold Shares in a Registered Plan should consult their own tax advisors regarding their particular circumstances.

Risk Factors

Investment in the Shares is highly speculative and involves a significant degree of risk. Prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Units, including (i) risks relating to the Offering such as discretion in the use of proceeds from the Offering, additional financial requirements of the Company, no current market for the Company's securities, volatility of publicly traded securities, risks of further dilution, the Company's ability to continue as a going concern, negative cash flow from its operations, and the payment of dividends, and (ii) risks relating to the business of the Company, such as limited operating history and expected continued operating losses, title to properties, inherent risks of the mining industry, uninsurable risks, environmental risks, permits and licenses, competitive risks, dependence on key management, commodity prices, risks associated with early stage mineral exploration, additional funding requirements, conflicts of interest and lack of mineral resources.

An investment in the Company's securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk the loss of their entire investment. Investors should consult their own professional advisors to assess the investment.

The Healy Project is the Company's material property interest and is in the exploration phase. If the exploration programs to be carried out do not justify further exploration work, the Company may take the decision to abandon the Option and any interest in the Healy Project and write off the exploration expenses incurred. The Healy Project is not known to contain, and the Company does not provide any assurances that the Healy Project does contain, a body of commercial ore, and the Company's planned work programs will be exploratory in nature.

See "*Risk Factors*" for greater detail of these and other risk factors.

Summary of Selected Consolidated Financial Information

The following table sets forth selected financial information for the Company for the periods indicated. The following summary of selected financial information is derived from and should be read in conjunction with and is qualified in its entirety by reference to the Company's audited financial statements for the period from incorporation to March 31, 2019 and related notes thereto, together with the Management's Discussion and Analysis as included elsewhere in this Prospectus. See "*Selected Annual Financial Information and Management's Discussion and Analysis*".

Selected Financial Information	For the period from incorporation to March 31, 2019 (audited)
Operations Data	
Total Revenues	Nil
Total Expenses	\$225,085
Net Income (Loss)	\$(225,085)
Net Income (Loss) per Share – Basic and Fully Diluted	(\$0.04)

Balance Sheet Data	As at March 31, 2019
Current Assets	\$333,041
Non-Current Assets	\$330,040
Total Assets	\$663,081
Current Liabilities	\$88,165
Working Capital	\$244,876
Other Liabilities	Nil
Total Liabilities	\$88,165
Share Capital	\$604,001
Reserves	\$196,000
Deficit	(\$225,085)
Total Equity	\$574,916
Number of Shares Issued and Outstanding	16,000,100

CORPORATE STRUCTURE

Name and Incorporation

The Company was incorporated under the BCBCA on May 29, 2018 as “Northway Resources Corp.”

The head office of the Company is located at #310 - 119 West Pender Street, Vancouver British Columbia, V6B 1S5, and the registered and records office of the Company is located at Suite 2080-777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

The Company is not currently a reporting issuer and the Shares are not listed or posted for trading on any stock exchange, but the Company will become a reporting issuer in the provinces of British Columbia, Alberta and Ontario upon the issuance of a receipt for the final Prospectus.

The Company has one wholly owned subsidiary, Northway Resources Alaska Corporation, a company incorporated pursuant to the laws of the State of Alaska.

DESCRIPTION OF THE BUSINESS

Three Year History

The Company is a mineral exploration company involved in the identification, acquisition and exploration of mineral properties located in British Columbia. The Company is exploring for gold. At present, the Company’s mineral properties are not at a commercial development or production stage. The Company’s sole material mineral property is the Healy Project.

The Company’s primary business activity since incorporation has been to acquire and explore mineral properties in order to build shareholder value and with a view to obtaining a listing on the Exchange. The Company has undertaken the following steps since its incorporation to develop its business: (1) recruited directors and officers with the skills required to operate a junior public mineral exploration company; (2) identified and acquired a mineral property with sufficient merit to warrant exploration; (3) completed an initial exploration program on the Healy Project; (4) completed a technical report on the Healy Project; (5) raised sufficient financing to complete the Offering and make an application for listing on the Exchange; and (6) engaged the Agents to assist the Company in making an application for listing on the Exchange, and to raise funding under this Prospectus.

Option Agreement

On July 31, 2018, the Company entered into the Option Agreement with Newmont. The Healy Project is owned 100% by Newmont. The Option Agreement was amended on May 10, 2019.

In order to exercise the Option, the Company must incur USD\$4,000,000 (CDN: \$5,400,000) in exploration expenditures during the Option Period, as follows:

Due Date	Exploration Commitment
First phase 1 period ended November 30, 2018	US\$140,000 (completed)

Due Date	Exploration Commitment
Second phase 1 period ended December 31, 2020	US\$360,000
Third phase 1 period ended December 31, 2021	US\$1,500,000
Fourth phase 1 period ended December 31, 2022	US\$2,000,000
Total	US\$4,000,000

The Company shall be the operator during the Option Period and shall have the sole right and discretion to determine the nature, timing, scope, extent and method of exploration activities conducted on the Healy Project.

An area of interest around the Healy Project applies such that if either Newmont or the Company acquires any claims within such area of interest, at the option of the other party, such claims will form part of the Healy Project subject to the terms and conditions of the Option Agreement, provided that the non-acquiring party shall pay to the acquiring party their out-of-pocket acquisition costs relating to such claims proportionate to the non-acquiring party's participation interest in the Healy Project at the time. As a result, during the Option Period, Newmont would bear the costs of any claims to be added to the Healy Project within the area of interest.

If the exploration expenditures set forth above are not made as specified and at the time provided for in the Option Agreement, then the Company may, in its discretion, make a payment to Newmont equal to the shortfall, which payment must be paid within 30 days of the applicable due date, and such payment shall be deemed to constitute exploration expenditures. The Company has the right to accelerate the exercise of the Option by completing all of the required exploration expenditures. The commitments of the Company to fund the first and second phase 1 periods programs, totalling in aggregate USD\$500,000 in exploration commitments, are committed expenditures, such that in the event that the Company elects to withdraw from the Option and has not yet completed the first and second phase 1 period programs, it is obligated to pay to Newmont an amount equal to the difference between the amount of the committed expenditures (US\$500,000) and the aggregate amount of qualifying expenditures actually spent by the Company at the time of withdrawal within thirty (30) days of such withdrawal.

Upon the exercise of the Option, the Company and Newmont will enter into a joint venture in respect of the Healy Project on the terms set forth in the Option Agreement, with the Company's initial contribution being deemed to be US\$4,000,000 and Newmont's initial contribution being deemed to be US\$1,715,000. The initial operator under the joint venture agreement will be the Company as the holder of the largest interest in the Healy Project, and the parties shall fund operations on the Healy Project proportionally to their interests in the Healy Project, subject to straight line dilution in the event of an election not to contribute to a work program. In the event that a party fails to fund an approved work program and budget, the other party may fund the defaulting party's contribution and elect to convert such funding, if not repaid upon demand within five business days, into an additional contribution for the non-defaulting party's account provided that the defaulting party's interest shall be two times the funded amount. In the event that a party's participating interest in the Healy Project reaches 10% or less, such party will be deemed to have withdrawn from the joint venture and their interest shall be converted into a 2% net smelter royalty, which royalty may be purchased by the other party at any time for US\$2,000,000.

A transfer of a party's interests in the Option Agreement, the Healy Project or the assets of the joint venture (including any royalty, profits or other interest in mineral products) may only be made in its entirety, provided that the Company is permitted to transfer all of its rights to earn an interest in the Healy Project under the Option at any time prior to the exercise of the Option.

In the event of a withdrawal by the Company from the joint venture pursuant to the Option Agreement, the Company shall not, and none of its Affiliates, shall directly or indirectly acquire any mineral property interests within the area of interest around the Healy Project for a period of two years.

On May 10, 2019, the Company assigned all of its rights in and to the Option Agreement to Northway Subsidiary, with the consent of Newmont.

Please see "*Mineral Properties*" below.

Services Agreement

On July 31, 2018, the Company entered into the Services Agreement with Kenorland for the purposes of engaging Kenorland to complete all activities necessary in order for the Company, indirectly through the Northway Subsidiary, to meet its obligations pursuant to the Option Agreement. As consideration for the provision of the services by Kenorland, the Company shall pay fixed daily rates as set forth in the Services Agreement. The fees payable by the Company may be paid in cash or through the issuance of units, each unit comprising a Share and one share purchase warrant. The deemed price of the units issuable thereunder will be the greater of \$0.05 per unit and or the discounted market price, as such term is defined in the Corporate Finance Manual of the Exchange. The warrants forming part of the units will be exercisable for a period of five years at a price equal to the greater of \$0.10 per Share or the market price, as such term is defined in the Corporate Finance Manual of the Exchange. In addition to the fixed daily rates, the Company will also pay to Kenorland a monthly fee equal to 10% of all exploration expenditures incurred in connection with the Healy Project.

On January 25, 2019, the Company issued 2,000,000 units at an aggregate value of \$100,000 to Kenorland to settle \$100,000 in accounts payable pursuant to the terms of Services Agreement in relation to services rendered to that date.

Kenorland is a "control person" of the Company holding 37.5% of the currently issued and outstanding Shares of the Company. Haywood and Kenorland are related issuers pursuant to NI 33-105 by virtue of the fact that employees of Haywood collectively are influential shareholders of Kenorland. See "*Relationship between the Company and the Agents*". Mr. Flood is also the President and CEO of Kenorland. See also "*Interests of Management and Others in Material Transactions*".

Additional Property

On February 19, 2019, Northway Subsidiary, through an agent, staked an aggregate of 108 claims located in Forty Mile Mining District, Alaska and formerly known as the Napoleon project. As of the date of this Prospectus, the Company has completed no work on the Napoleon project and its sole expenditures related thereto are aggregate staking costs of US\$29,520.

Recent Financings

The Company completed the following financings since incorporation:

- 4,000,000 Shares issued at \$0.001 per Share for aggregate proceeds of \$4,000 to Kenorland. The Company recognized a charge for stock-based compensation of \$196,000 in respect to the fair value of the common shares issued, based on the concurrent execution of the Services Agreement and terms of securities issuable thereunder, of \$0.05 per Share, exclusive of the cash proceeds received.
- 3,000,000 units issued at a price of \$0.05 per unit pursuant to debt settlement agreements for \$150,000 in advances made by certain shareholders of the Company. Each unit comprised one Share and one share purchase warrant, exercisable at a price of \$0.10 per Share for a period of five years ending September 15, 2023.
- 2,000,000 units at a price of \$0.05 per unit to Kenorland to settle \$100,000 in accounts payable pursuant to the Services Agreement. Each unit comprised one Share and one share purchase warrant, exercisable at a price of \$0.10 per Share for a period of five years ending January 25, 2024.
- 7,000,000 units issued at \$0.05 per unit for aggregate proceeds of \$350,000. Each unit was comprised of one Share and one share purchase warrant, exercisable at a price of \$0.10 per Share for a period of five years ending March 19, 2024.

For additional information, please see “*Prior Sales*”.

Trends

There are significant uncertainties regarding the prices of gold and other minerals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the prices of precious metals have fluctuated widely in recent years and wide fluctuations may continue. Apart from the risk factors noted under the heading “*Risk Factors*”, management is not currently aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on the Company’s business or financial condition.

Principal Products or Services

The Company is in the exploration stage and does not mine, produce or sell any mineral products at this time, nor do any of its current properties have any known or identified mineral resources or mineral reserves.

As the Company is an exploration stage company with no producing properties, it has no current operating income, cash flow or revenues. The Company has not undertaken any current resource estimate on the Healy Project. There is no assurance that a commercially viable mineral deposit exists on the Healy Project. The Company does not expect to receive income from the Healy Project within the foreseeable future. The Company intends to continue to evaluate, explore and develop the Healy Project through additional equity or debt financing. The Company’s primary objectives are to complete exploration on the Healy Project with a view to development. Toward this end, the Company intends to undertake the exploration programs on the Healy Project recommended by the author in the Healy Report. If the results of such programs merit further exploration, the Company may commence further exploration programs

The Company's principal product under exploration is gold. There are worldwide gold and precious metals markets into which the Company could sell and, as a result, the Company would not be dependent on a particular purchaser with regard to the sale of the metals which it produces, if and when it reaches production.

Specialized Skills and Knowledge

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of exploration and development, geology, drilling, permitting, metallurgy, logistical planning, and accommodation and implementation of exploration programs, as well as legal compliance, finance and accounting. The Company expects to rely upon, consultants and others for exploration and development expertise, and in particular Kenorland. The Company does not anticipate any difficulties in locating competent employees and consultants in such fields and has engaged Kenorland to assist in the completion of exploration activities on the Healy Project.

Market and Marketing

The Company's principal product under its exploration programs will be gold, but the Company does not produce, develop or sell any products at this time, nor do any of its properties have any known or identified mineral reserves. As the Company will not be producing in the foreseeable future, it will not be conducting any marketing activities and does not require a marketing plan or strategy.

Competitive Conditions

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the search for and the acquisition of attractive mineral properties. As a result of this competition, the majority of which is with companies with greater financial resources than the Company, the Company may not be able to acquire attractive properties in the future on terms it considers acceptable. Finally, the Company competes for investment capital with other resource companies, many of whom have greater financial resources and/or more advanced properties that are better able to attract equity investment and other capital. The abilities of the Company to acquire attractive mineral properties in the future depends not only on its success in exploring and developing its present properties, but also on its ability to select, acquire and bring to production suitable properties or prospects for exploration, mining and development. Factors beyond the control of the Company may affect the marketability of minerals mined or discovered by the Company. See "*Risk Factors*".

Components

All of the raw materials the Company requires to carry on its business are available through normal supply or business contracting channels in British Columbia. The Company has secured personnel to conduct its currently contemplated programs. It is possible that delays or increased costs may be experienced in order to proceed with drilling activities during the current period. Such delays could significantly affect the Company if, for example, commodity prices fall significantly, thereby reducing the opportunity the Company may have had to develop a particular project had such tests been completed in a timely manner before the fall of such prices. In addition, assay labs are often significantly backlogged, thus significantly increasing the time that the Company waits for assay results. Such delays can slow down work programs, thus increasing field expenses or other costs

(such as property payments which may have to be made before all information to assess the desirability of making such payment is known, or causing the Company to not make such a payment and terminate its interest in a property rather than make a significant property payment before all information is available).

Cycles

The Company's mineral exploration activities will consistently be subject to seasonality due to adverse weather conditions including, without limitation, inclement weather, snow covering the ground, frozen ground and restricted access due to snow, ice or other weather-related factors. The location of the Healy Project has an extremely limited season suitable for exploration activities between mid May to October historically.

In addition, the mining business is subject to global economic cycles which affect the marketability of products derived from mining.

Intangible Properties

The Company's business will not be substantially dependent on the protection of any proprietary rights or technologies.

Economic Dependence

The Company is dependent on the Option Agreement. In the event the Option Agreement were terminated, the Company would lose all of its right and interest in and to the Healy Project, and would be left with no material mineral properties.

The Company's business is not substantially dependent on a contract to sell the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise or licence or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

It is not expected that the Company's business will be affected in the current financial year by the renegotiation or termination of contracts or sub-contracts.

Environmental Conditions

All aspects of the Company's field operations will be subject to environmental regulations and generally will require approval by appropriate regulatory authorities prior to commencement. Any failure to comply could result in fines and penalties. With all projects at the exploration stage, the financial and operational impact of environmental protection requirements is minimal. Should any projects advance to the production stage, then more time and money would be involved in satisfying environmental protection requirements.

Employees

As of the date of this Prospectus, the Company had the following number of consultants:

Location	Full Time Employees	Consultants
British Columbia	Nil	7

Location	Full Time Employees	Consultants
Alaska	Nil	1

The Company utilizes consultants to carry on most of its activities and, in particular, to supervise certain work programs on its mineral properties. As the Company expands its activities, it is probable that it will hire additional consultants and/or employees. Due to a limited exploration season in its Alaska operations, the Company anticipates its number of consultants will increase from June to October of each year. In addition, contractors and employees may move between locations from time to time as conditions and business opportunities warrant.

Lending

The Company does not currently hold any investments or owe any material long term liabilities. The Company has not adopted any specific policies or restrictions regarding investments or lending. The Company expects that in the immediate future in order to maintain and develop its mineral properties, it will need to raise additional capital which it expects will be completed via equity. If the Company is unable to raise the necessary capital to meet its obligations as they become due, the Company may have to curtail its operations, including potentially failing to exercise the Option Agreement, or obtaining financing at unfavourable terms.

Bankruptcy and Similar Procedures

There are no bankruptcies, receivership or similar proceedings against the Company, nor is the Company aware of any such pending or threatened proceedings. There has not been any voluntary bankruptcy, receivership or similar proceedings by the Company since its incorporation.

Reorganization

The Company has not completed any reorganizations or restructuring transactions since its incorporation.

Social or Environmental Policies

The Company has not adopted any specific social or environmental policies that are fundamental to its operations (such as policies regarding its relationship with the environment, with the communities in the vicinity of its mineral exploration projects or human rights policies). However, the Company's management, with the assistance of its contractors and advisors, ensures its ongoing compliance with local environmental laws in the jurisdictions in which it does business.

Significant Acquisitions and Dispositions

The Company has not completed any significant acquisitions or dispositions since incorporation.

MINERAL PROPERTIES

The Company's material mineral project is the Healy Project, located in Alaska.

The Healy Project

A technical report prepared in accordance with the form requirements of NI 43-101 on the Healy Project dated December 15, 2018 has been prepared for the Company by Curtis J. Freeman, B.A., MS, P.Geo of Avalon Development Corp. The Healy Report reviews the Healy Project's geology and mineralization and recommends a further exploration program. The author of the Healy Report is an independent Qualified Person as defined by NI 43-101.

The following disclosure relating to the Healy Project has been substantially excerpted from the Healy Report. **A complete copy of the Healy Report is available for review, in colour, on SEDAR at: www.sedar.com. Alternatively, the Healy Report may be inspected during normal business hours at the Company's head office at Suite 310-119 West Pender Street, Vancouver, British Columbia for a period of thirty (30) days following completion of the Offering.**

Property Description and Location

The Healy Project is located in the Goodpaster Mining District, approximately 180km southeast of Fairbanks or 70km east of Delta Junction (Figure 4-1 of the Healy Report).

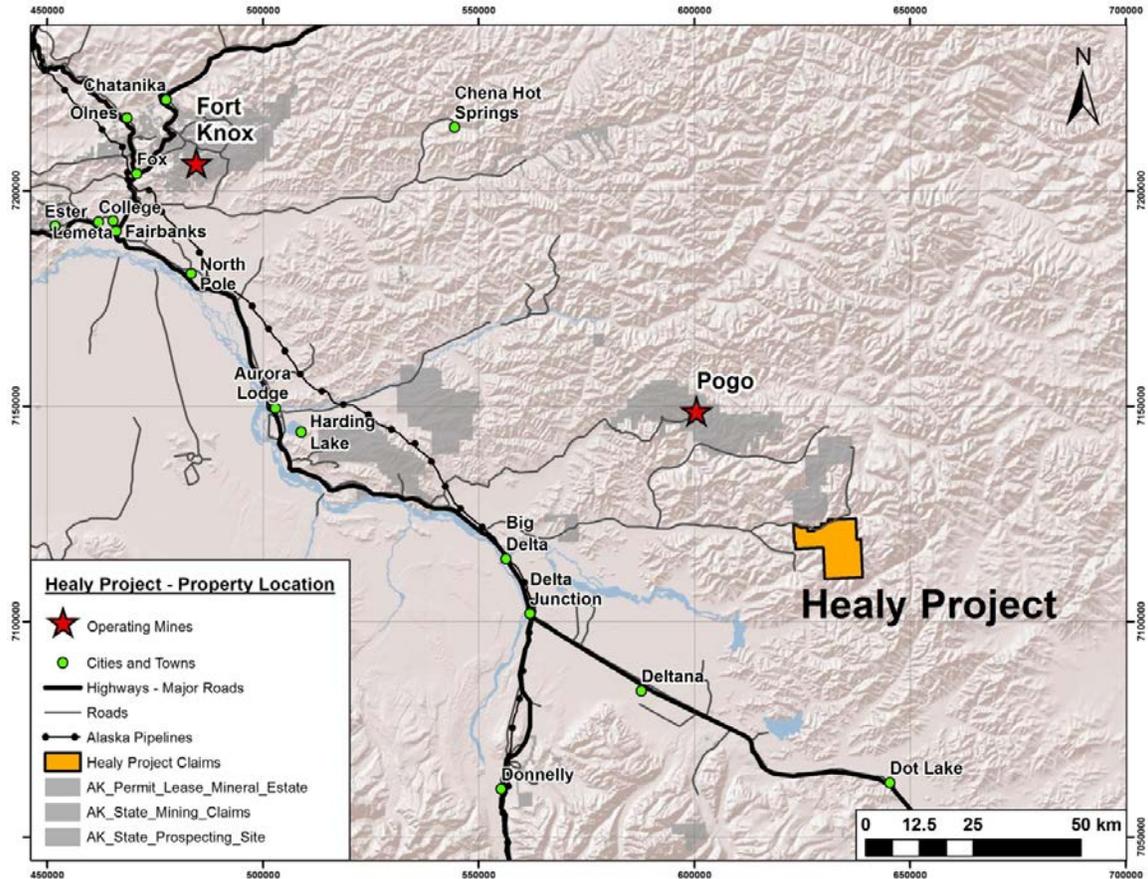


Figure 4-1: Property Location Map

The Healy Project is located between the South Fork Goodpaster River and the Healy River, and encompasses the headwaters of Volkmar River. All of the streams draining the project are west-flowing and empty into the Tanana River, a major tributary of the Yukon River system.

The geographic centre of the Healy Project lies at approximately 61.1640 North Latitude and -144.2830 West Longitude (632115 m East and 7118135 m North, UTM NAD 1983 UTM Zone 6N). The claim group is situated within Township 8 South, Ranges 17 and 18 East, Fairbanks Meridian, and Townships 27 and 28 North, Ranges 5 and 6 East, Copper River Meridian, in the Big Delta A1 quadrangle. The Healy Project consists of 198 State of Alaska mining claims and 30 State Selected claims currently designated as Native Selected. The 30 State Selected Healy claims have been deemed "At-risk" because they are currently within Doyon Ltd. Selected Land and topfiled for future State-Selection by the State of Alaska under Section 906(e) of the Alaska National Interest Lands Conservation Act (ANILCA). The combined 328 Healy claims has a total property area covering 35,962 acres of land shown in Figure 4-2 of the Healy Report. A complete list of claims is presented in Appendix A of the Healy Report.

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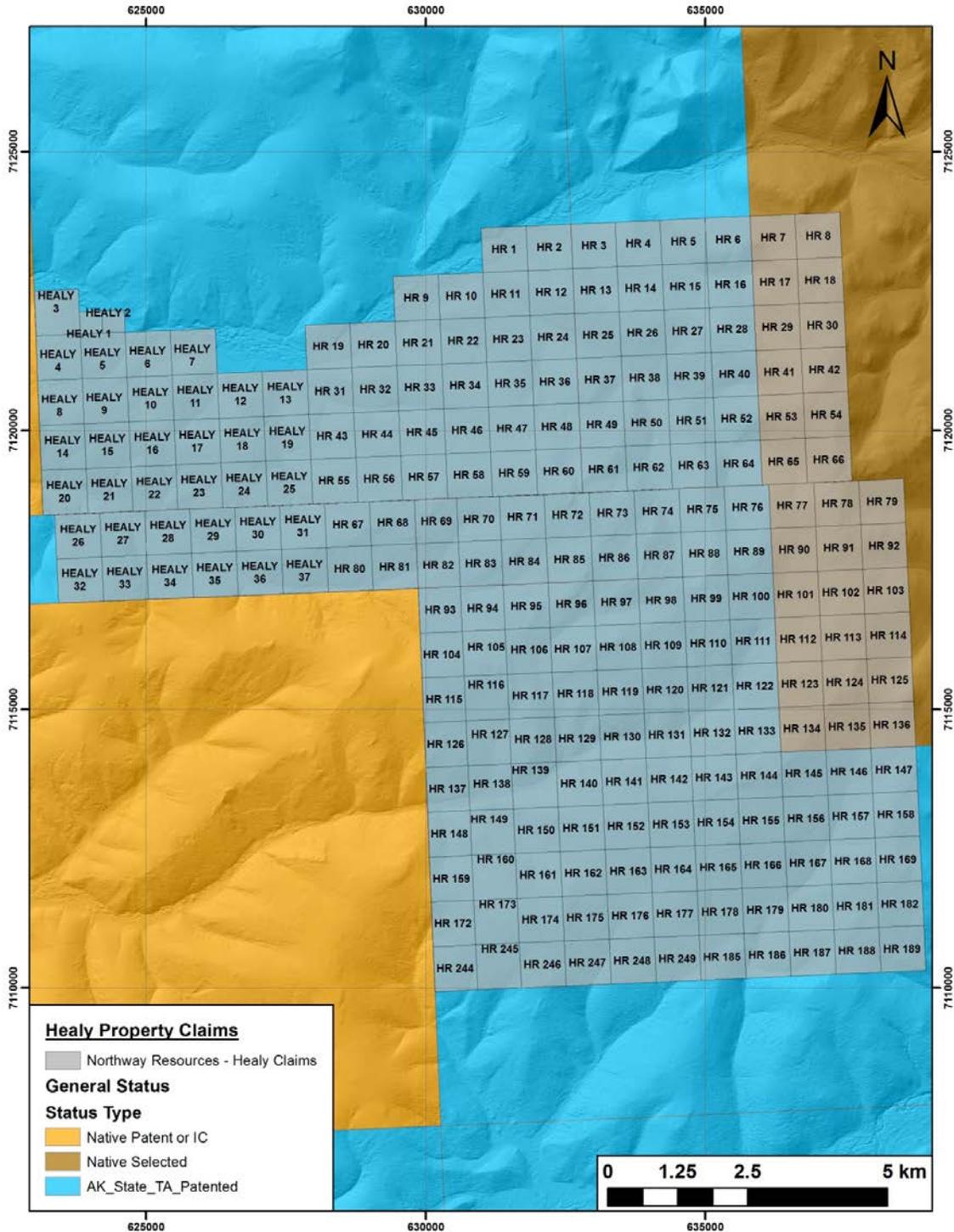


Figure 4-2: Healy Claim Map

Mineral rights for the Healy Project are administered by the State of Alaska. Annual rent and annual labor requirements are required for the 298 State of Alaska mining claims (196 MTRSC full quarter section claims, and 2 MTRSC quarter-quarter section claims). The 2018 annual rent for the Healy Project was paid for by Newmont in November, 2018 and totaled \$55,020, and reimbursed by the

Company due to claim ownership still being in Newmont's name. These claim rent payments and the annual labor documents recorded by Newmont in November, 2018 are sufficient to keep the Healy Project claims valid through to September 1, 2019. Annual work commitment for the Healy Project is calculated at \$2.50 per acre per year (\$78,600 for the Healy Project) with amounts in excess of these levels bankable up to four years into the future. The 2018 annual labor which was submitted totaled US\$93,571, fulfilling the 2018 requirements with \$14,971 in excess to be applied for future years. A complete list of claims is presented in Appendix A of the Healy Report, and a claim map is provided in Figure 4-2 of the Healy Report.

The claims of the Healy Project have not been surveyed by a registered land or mineral surveyor and there is no State or Federal law or regulation requiring such surveying at this time. Depending on the level of exploration work proposed, permits may be required from the Alaska Department of Natural Resources and other State or Federal regulatory agencies and will be applied for on an as-needed basis as the Healy project advances.

Surface disturbance associated with historical and current exploration programs has been minimal as no heavy equipment has been operated on the project for exploration. To the best of the author's knowledge, there are no environmental liabilities or reclamation liabilities attached to the property and there are no outstanding legal orders or mandates relating to past or current environmental liabilities on the project.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Healy Project is located in the Goodpaster Mining District, about 180km southeast of Fairbanks or 70km east of Delta Junction (Figure 4-1 of the Healy Report). Current access to the property is via helicopter only, with Delta Junction being the closest town with helicopter services. There is a historic seasonal trail (winter access only) which accessed the historic Tibbs Creek area mines. The access trail crosses the northern boundary of the Healy claim group following the South Fork Goodpaster River valley. The seasonal trail starts from the Richardson Highway (approximately 9.5 km northwest of the town Big Delta), runs east through the LMS Project currently owned by Gold Reserve Inc. (approximately 23 km along trail) and continues east to the north central boundary of the Healy Project at approximately the 86 km mark. The current condition of the trail is unknown to the author of the Healy Report.

Fairbanks is the nearest large population centre to the Healy Project. The greater Fairbanks area supports a population of approximately 75,000 and has excellent labor and services infrastructure, including rail and international airport access. A high voltage power line parallels the Alaska Pipeline to the town of Delta Junction; this electrical grid is the same system feeding the 300,000 ounce-per-year operating Pogo gold mine, 45km northwest of the Healy project and currently operated by Northern Star Resources Ltd. Land-line telephones exist along the Richardson Highway between Fairbanks and Delta Junction, Cellular phone service is not available on the project.

The Tran-Alaska Pipeline system runs through the Fairbanks – Delta Junction corridor. The State of Alaska maintains royalty rights to a certain amount of crude oil running through the system. Eight large pumping stations along the pipeline route are powered by crude oil produced from on-site topping plants. Diesel demand for any project within the district may be able to utilize State royalty oil to create a local diesel fuel for large scale project use. The current Alaska LNG Project planned route runs from Prudhoe Bay down south to Cook Inlet, with a spur pipeline to supply Fairbanks. For larger scale programs and project development, bulk diesel, gasoline and LNG can be supplied from bulk distribution centres in the Fairbanks area.

The Healy Project area is largely covered by alpine tundra and sub-Arctic taiga forest. The higher elevations are covered by alpine tundra, comprised of thick blankets of tundra vegetation and small shrubs such as willow, alder, Labrador tea and sphagnum moss, and main ridge lines and peaks are covered by sub-crop to talus slopes and outcrop. At lower elevations vegetation transitions to moderate to thick sub-Arctic taiga containing black spruce, white spruce and alder. Figure 5-1 of the Healy Report illustrates the typical vegetation and terrain of the Healy Project. Outcrop and/or subcrop are estimated to cover 3% of the property with most of this being along ridges and peaks in higher elevations. Treeline is gradational in many parts of the property, but estimated at 960 meters ASL (3150 feet).

The Yukon-Tanana upland is the physiographic region which covers east-central Alaska and western Yukon. The Healy Project is located within this physiographic region and the property is characterized as moderately hilly. Elevations range from 470 meters ASL (1542 feet) along the South Fork Goodpaster River on the north edge of the property, to 1377 meters (4518 feet) atop an unnamed peak located near the centre of the property. The project is drained by numerous creeks and rivers; the northern portion of the property drains into the west flowing South Fork Goodpaster River, the central portion drains through west flowing Volkmar River and the southern portion drains into the west flowing Healy River. To the best of the author's knowledge, the creeks and rivers located on the Healy Project do not contain anadromous fish populations.

Parts of Interior Alaska, including the Goodpaster Mining District, were not glaciated during any of the Pleistocene glaciation events which affected much of the North America continent. However, the Goodpaster Mining District was located in a periglacial setting and was affected by fine-grained aeolian silt (loess) which deposited variably thick layers of sediment over much of the Interior. Soil sampling over the Healy project area has detected negligible amounts or areas covered by this silt. Silt transport directions during deposition were generally north to south, leaving north-facing slopes barren of silt or covered by a thin layer of silt while south facing slopes tend to have thicker silt accumulations. Permafrost also developed during this time, but has only been encountered over small areas generally on north-facing slopes. The presence of localized permafrost has not impeded previous surface exploration, however more advanced project development will be required to treat these permafrost areas as wetlands, whose permitting falls under the jurisdiction of the U.S. Army Corps of Engineers.

The climate in this portion of the Interior of Alaska is characterized by longer winters with sub-freezing temperatures, and shorter summers of warm weather. Analyzing data from the town of Delta Junction and the Pogo mine airstrip, average temperatures are sub-freezing for 6-7 months of the year (October to March) followed by 5-6 months of warmer summer weather (April to September). Average annual precipitation ranges from 295 mm in Delta Junction to 419 mm at the Pogo mine airstrip and annual snowfall at Delta Junction is 1385 mm (54.5 inches). The general summer exploration extends from mid-May through to October.

Development of mines in this part of Alaska requires additional engineering and costs related to climate, but are not unreasonable as demonstrated by two operating mines located within the physiographic region; Kinross Gold's Fort Knox open pit gold mine, and Northern Star Resources' underground Pogo gold mine.

History

Exploration in the Goodpaster mining district has a long history, with placer gold first discovered in 1915 on Michigan Creek (Thomas, 1970), shortly after placer gold was discovered in the neighboring Richardson mining district to the west in 1905 and lode gold was discovered at the

Democrat lode prospect in 1913 (Singh, 2017). The first lode gold prospects discovered in the Goodpaster district occurred in the early 1930's when lode gold-bearing quartz veins were discovered in the upper Tibbs Creek area. The first underground workings were driven in 1936. From 1936-1941, underground exploration and small-scale mining occurred at the Blue Lead and Blue Lead Extension (ARDF – BD003), Grizzly Bear (ARDF – BD018) and Gray Lead (ARDF – BD017) prospects. The Pogo gold mine is the most significant lode gold discovery in the district, which was first drilled in 1994 after exploration efforts followed up on gold-arsenic-tungsten anomalies in Liese Creek and Pogo Creek from a 1991 stream sediment sampling program. The mine has been in commercial production since 2006 producing approximately 300,000 ounces of gold annually since then, and is currently operated by Northern Star Resources Ltd. The LMS deposit was discovered in 2005 by surface sampling and drilling, following up on regional reconnaissance surface sampling conducted by AngloGold Ashanti Exploration Inc. in 2004 (Hunter, 2016).

The author of the Healy Report conducted regional exploration over what is now the Healy prospect area on behalf of Rubicon Minerals Corp. during 2006 through 2008, however, no records of the results of this work are available in the public domain. To the best of the author's knowledge there are no other exploration records available for the Healy Project prior to Newmont's 2011 regional stream sediment sampling program.

Newmont conducted a regional BLEG (bulk leach extractable gold) stream sediment sampling program across the Yukon-Tanana uplands in 2011. The survey identified multiple stream catchments in the Healy Project area as being anomalous in Au+As+Bi+Sb, which led to the staking of the project in early 2012.

In 2012 Newmont conducted ridge and spur soil sampling (1,182 samples, Figure 6-1 of the Healy Report) and reconnaissance level geologic mapping and prospecting. The soil sampling highlighted a large area in the northern half of the property as anomalous in Au+As+Sb. The geologic mapping and prospecting highlighted several areas of schist and gneiss containing quartz-sericite-pyrite alteration. Rock chip samples of this QSP altered material returned assays up to 0.38 g/t Au.

Between June and August 2013, approximately 480 person days were spent on the Healy Project (Newmont personnel and sub-contractors). Work consisted of additional ridge and spur soil sampling, grid soil sampling, rock chip sampling and detailed geologic mapping (1:12,000 scale) of lithology, alteration and mineralization. In total, 2,594 soil samples and 234 rock chip samples were collected during this program (Figure 6-1). Numerous significant soil anomalies characterized by Au (>25 ppb) ± As (>125 ppm) ± Sb (>50 ppm) were identified from the soil grid sampling program which will be discussed in Section 7.3. The results of rock chip sampling were more sporadic but identified coincident areas with the soil geochemistry where anomalous gold results were obtained (>0.100 g/t Au), with the highest gold value of 3.260 g/t Au. During the fall of 2013, a detailed geological map of the Healy Project was produced by Newmont personnel, and drill targets were defined for a small back-pack drill program.

During the fall of 2013, two Newmont personnel carried out a small Shaw back-pack drill program, with the purpose of testing below vegetation/overburden on the Main Zone soil geochemical anomaly. Four drill holes were attempted, but drill hole No. 2 was abandoned due to overburden collapsing on the hole. Rock recovery during drilling was an issue, and was interpreted that the material drilled was composed of regolith and highly oxidized and broken bedrock. Despite the problems, material was recovered from the drill holes and sampled; results are summarized in Table 6-1.

Table 6-1: Shaw back-pack drill assay results.

Hole #	Sample Description	Sample ID	Au (ppm)
Hole 1	Grab from 12'. Oxidized gravel with clasts of breccia? With pyrite.	NDR-40901	0.130
Hole 1	Grab from 12'. Silicified gneiss with 2 cm wide qtz vein.	NDR-40902	0.079
Hole 3	Grab from 10-12'. Oxidized mica rich sand.	NDR-40903	0.422
Hole 3	Grab from 12-13'. Grussy weathering QSP altered gneiss verging on regolith.	NDR-40904	0.855
Hole 3	Grab from 14-16'. Oxidized sand/regolith?	NDR-40905	0.710
Hole 3	Grab from 16-18'. Oxidized gneissic regolith.	NDR-40906	0.463
Hole 3	Grab from 19-20'. Oxidized grussy weathering gneiss.	NDR-40907	0.453
Hole 3	Grab from 21'. Augen gneiss with QSP alteration and 1-3% py.	NDR-40908	0.305
Hole 4	Grab from 13'. Oxidized regolith?	NDR-40909	0.384
Hole 4	Grab from 18'. Oxidized regolith, ultramafic? And pyritic gneiss.	NDR-40910	0.347
Hole 4	Grab from 19'. Gray pyritic regolith material.	NDR-40911	0.359
Hole 4	Grab from 20'. Qtz-py breccia with ~3% py and brecciated quartz vein material with py stringers.	NDR-40912	0.234

To the best of the author's knowledge, no other significant work was completed on the Healy Project until 2018 (see discussion below under "*Exploration*").

Geological Setting

Regional Geology

The Healy Project lies within the North America (basinal strata) geologic terrane (Colpron, 2011), part of the Parautochthonous North America, a predominantly mid-Paleozoic (Devonian–Mississippian) assemblage of medium to high grade (greenschist to amphibolite facies metamorphism) schist and gneiss characterized by mid-Cretaceous cooling ages. This is a large metamorphic and igneous province bounded on the north by the Tintina Fault and on the south by the Denali Fault. These terrane parallel fault systems are major dextral slip faults which form crustal scale sutures and are speculated to have up to 400 km of offset since the late Cretaceous (Figure 7-1 of the Healy Report). This major structural corridor comprises what is known as the Tintina Gold Belt.

Conjugate to these terrane parallel strike-slip faults are numerous northeast trending sinistral faults, such as the Shaw Creek, Black Mountain, Mt. Harper and Ketchumstuck Fault systems (Allan, 2013, Sanchez, 2014, O'Neil, 2007). Large scale, northwest-trending sympathetic faults are also present between the Tintina and Denali Faults, including the Big Creek Fault, Pogo trend, Central Fault and the Richardson lineament (Singh, 2017). These northwest trending structures are less well defined and often occur as broad deformation zones. The terrane has been intruded by several suites of granitic rocks ranging in age from early Jurassic (212-185 Ma) to early Tertiary (70-50 Ma). Of these, the mid Cretaceous suite of intrusive rocks (110-90 Ma) is currently believed to be most common age related to gold mineralization (Smith, 2000).

The Healy Project sits within the Lake George sub-terrane of the North America (basinal strata) geologic terrane, a 75 km wide belt of amphibolite facies rocks composed of pelitic, quartzose and mafic and felsic meta-igneous rocks, including large conformable bodies of Devonian and

Mississippian feldspar augen biotite paragneiss and peraluminous feldspar augen and biotite orthogneiss. The Central Creek augen gneiss body; ca. 372-360 Ma (part of mapped MDag: Augen gneiss and orthogneiss in Figure 7-2 of the Healy Report) is interpreted to be an approximately 760m thick sill (Dusel-Bacon, 2006). Based on mapped contacts between the augen gneiss with biotite paragneiss, dioritic gneiss/amphibolite and biotite-hornblende paragneiss, the interpretation is that present-day contacts represent dynamothermally metamorphosed primary igneous contacts (Dusel-Bacon, 2006). The other main geologic unit which makes up the Healy Project are gneiss-schist-quartzites (mapped I<ygs (PzPxygs) in Figure 7-2 of the Healy Report) which are comprised of coarse to fine grained gneiss, schist and quartzite. This unit is well-foliated and banded to massive, locally cataclastic and ranges from pelitic schist that contains abundant sillimanite to gneisses of probable igneous origin. Protolith rocks may include both Precambrian and Paleozoic sedimentary and igneous rocks (Mississippian, Devonian, and older, 635-358.9 Ma).

Localized thrust-bounded sheets of ultramafic schists correlative with the Seventymile terrane overlie both DMag and PzPxygs. These rocks occur as small klippen of peridotites derived from dismembered ophiolite of the Yukon-Tanana region. Ultramafic schists are Triassic or older (272.3-201.3 Ma), and are mapped as }Iyo (MzPzyo) in Figure 7-2 of the Healy Report.

Rocks of the Parautochthonous North America terrane (Precambrian(?)-Cambrian – Mississippian) in the region underwent four distinct tectonic events; (D₁) Devonian- Mississippian arc-related plutonism (protolith of Central Creek augen gneiss magmatism), (D₂) dynamothermal convergent tectonism and regional metamorphism during Jurassic to Early Cretaceous with peak metamorphism occurring 186-146 Ma, a result of tectonic burial beneath the Yukon-Tanana terrane (Dusel-Bacon, 2017), (D₃) Early Cretaceous ductile-brittle deformation - regional extension and unroofing occurring approximately 118-110 Ma (Dusel- Bacon, 2017, Staples, 2013), and (D₄) Late Cretaceous - Paleocene to present uplift and high angle northeast and northwest trending faulting related to dextral transpression within the regional wrench zone defined by the Tintina and Denali fault systems (Day, 2007).

The earliest major tectonic event (D₁) was associated with the Devonian magmatism, part of the much broader regional cycle of arc-continent collision and bimodal magmatism active from the Devonian to Mississippian (Dusel-Bacon, 2002, Day, 2007). This event resulted in the emplacement of the protolith for the Central Creek augen gneiss (MDag), biotite orthogneiss and amphibolite (Iymi, Pzymi), interpreted to be a granodiorite intrusive complex, indicating coeval, bimodal magmatism.

The mid Mesozoic tectonic event (D₂) was an intense episode of regional metamorphism (amphibolite facies) and deformation related to the tectonic burial of the Parautochthonous North America terrane under the Yukon-Tanana terrane. The resultant structures include low angle deformation zones, interpreted to concentrate along the contacts of the more rigid Central Creek augen gneiss, and penetrative fabric development (F₂) within all rock types.

U-Pb zircon dating in the region has defined the transition between D₂ and D₃ tectonic events, confirmation that peak metamorphism was pre-116 Ma. Evidence for this include a U-Pb zircon date from an undeformed intrusion on the northern edge of the Salcha River gneiss dome about 40 km west of the Pogo mine that yielded an age of 113±3 Ma (Dusel-Bacon, 2004). An U- Pb zircon date from the gneiss units near the Pogo mine returned an age of 116±2 Ma from the metamorphic rim on a zircon (Day, 2003), and a U-Pb age of 117±3 Ma from a zoned zircon within a mylonitic zone within the augen gneiss was obtained in the Big Delta B-1 quadrangle (Day, 2007). These dates are strong evidence that D₂ tectonism and associated amphibolite- grade metamorphism

ceased approximately 6 m.y. prior to the main pulse of batholith emplacement, which occurred 111-108 Ma.

The Mount Harper Batholith located to the east of the Healy Project was emplaced post metamorphism during regional uplift. U-Pb SHRIMP analyses of zircons have yielded ages of crystallization at 110 ± 1.0 Ma and 110.5 ± 1.1 Ma (Day, 2007). D_3 tectonics in the region is defined by the Black Mountain Tectonic Zone, characterized by a northeast trending zone of complex high-angle faulting, ductile shearing, intrusion emplacement and associated gold and antimony mineral deposits and occurrences. This tectonic zone is approximately 5 km wide, and has been mapped as a continuous zone of normal and left-lateral strike-slip high-angle faults and shear zones, some of which have late Tertiary to Quaternary displacement histories (O'Neil, 2007). Emplacement of the $\sim 112.9 \pm 1.3$ Ma Brink intrusion, the 107.6 ± 1.2 Ma Black Mountain intrusion, and the diorite dikes dated at 107.9 ± 1.1 Ma were controlled by the Black Mountain Tectonic Zone (Day, 2007). These intrusions have been mapped and dated in the Big Delta B-1 quadrangle along strike (Black Mountain Tectonic Zone) to the north of the Healy Project. $^{40}\text{Ar}/^{39}\text{Ar}$ dates from the Blue Lead mine (Tibbs Creek area) dated vein muscovite at 105.4 ± 0.5 Ma (Newberry, 1998), similar in age to Re-Os dates (104.2 ± 1.1 Ma) from molybdenite in main stage quartz assemblages at the Pogo gold deposit.

The shift from D_3 to D_4 tectonics in the region may be regarded as transitional with respect to the Black Mountain Tectonic Zone whereby fault offsets have been interpreted to occur from the Cretaceous at least through the Paleocene, through the ductile to brittle transition occurring approximately 100 Ma (Day, 2007). This timeframe overlaps with the Late Cretaceous– Paleocene onset of the Tintina and Denali faults and related northeast trending faulting. Several of the prominent northeast trending faults (Shaw Creek, Mt. Harper, Kechumstuk and Sixtymile-Pika faults) are believed to have developed during this event, but could be re-activated structures from the D_3 extensional event similar to the Black Mountain Tectonic Zone.

Property Geology

Bedrock geology at Healy is masked by unconsolidated residual and colluvial deposits, aeolian silt and organic deposits. Lithologies were mapped from the sparse subcrop-outcrop (approximately 3%) on the property, but exposure is poor due to alpine tundra cover in higher elevations and moderate to thick forest in lower elevations. Detailed aeromagnetic data has not been collected over the project, and publicly available aeromagnetic surveys of 1970's-vintage are not high enough resolution to aid in geological interpretations (1,200m line spacings, 300m instrument height, Saltus and Simmons, 1997). The first property scale (1:12,000) geological map was produced by Newmont personnel in 2013 utilizing mapped bedrock exposure, and topographical features. In the fall of 2018, a new geological map was produced incorporating the previous interpretation, bedrock exposure, high resolution topographic data, rock sample lithology, and soil geochemistry (high Mg content representing ultramafic schist). This new geological interpretation is presented in Figure 7-3 of the Healy Report, and was utilized as the basis for the Healy Report.

The Healy Project lies approximately 10 km to the west of the Mount Harper Batholith. It is underlain predominantly by augen gneiss (MDag), interpreted to be part of the Central Creek metamorphic unit, positioned as a sill like body within various schists of the North America – basinal stratigraphic rocks (PzPxygs). These rocks have been intruded by interpreted mid Cretaceous aged granodiorite rocks (Kmgr) which cover the eastern portion of the property (Figure 7-3 of the Healy Report). Currently it is unknown if this large intrusion is actually part of the Mount Harper Batholith, or a smaller isolated pluton more analogous to the Brink and Black Mountain intrusions to the north. Small granodiorite intrusive plugs have also been mapped across the

property. This mid Cretaceous suite of granitic rocks is genetically related to the majority of intrusive-related gold (IRG) deposits and occurrences across the Tintina Gold Belt, including the Brink, Tibbs Creek area prospects and the Fort Knox and Pogo gold deposits.

Several structural features across the property are related to the major regional D₂ tectonic event. Penetrative foliation is generally shallow to moderately dipping towards the west- northwest modelled to be near parallel to primary bedding and contacts with the augen gneiss, and will be further discussed below. Thrust faulting has been interpreted in the central portion of the property (Figures 7-3 and 7-8 of the Healy Report). One set of thrust panels has off-set the augen gneiss and schist units creating a repetition of rock units structurally emplaced adjacent to one another. Another set of thrust faults has emplaced small klippen of Seventymile terrane- equivalent ultramafic schists (MzPzyo) on top of the augen gneiss and schists. Lack of outcrop near these faults has prevented kinematic indicators from being determined. These thrust faults have been offset by the later D₃ and D₄ north-northeast and northeast trending shear zones and faults.

The Black Mountain Tectonic Zone (initiated during D₃) controls the emplacement of the Brink and Black Mountain intrusions to the north. Detailed mapping of the tectonic zone has been focused in the Big Delta B-1 quadrangle (O'Neil, 2007). This zone is interpreted to continue to the south-southwest, trending through the western part of the Healy Project. Modeling of magnetic and gravity data in the region suggests that the tectonic zone represents a major steeply east-dipping zone between contrasting crustal blocks that extends throughout the middle and lower crust (Saltus, 2006). Major structures mapped on the Healy property are interpreted to be related to the Black Mountain Tectonic Zone and possibly later D₄ tectonic events, and consist of the north-northeast and northeast trending structures shown in Figure 7- 3 of the Healy Report.

It is currently believed that the north-northeast and northeast trending shear zones and faults formed as conjugate sets during D₃ deformation. This has been inferred from surface geochemistry where anomalous Au+As±Sb in soils increases in tenure and footprint in close proximity to the intersection of these lineaments. This structural complexity initiated during mid Cretaceous allowed for ascension of magma and hydrothermal fluids, as mapped by the numerous granodiorite plugs (< 1 km² surface expression) and their close proximity to surface geochemical anomalies. Mapping suggests these structures are near vertical to dipping steeply to the southeast, but this interpretation is based on intersections of lineaments on topography and outcrop mapping as detailed structural measurements and subsurface information of the faults are absent.

During D₄ tectonism, some of the earlier D₃ structures may have been reactivated and/or new structures were initiated. The northeast trending structures almost certainly experienced movement during this time. Compared at the regional scale, the main northeast trending structures across the Healy Project are parallel to the major Shaw Creek, Mt. Harper and Kechumstuk (D₄) fault systems. These northeast-trending faults are also interpreted to offset the mid Cretaceous intrusion on the Healy Project, suggesting significant later displacement along these structures. However, it is widely accepted that the major regional northeast trending D₄ structures have sinistral strike-slip movement, but at the property scale these northeast trending structures generally appear to have dextral movement when looking at the augen gneiss-schist and granodiorite contacts. The northern most northeast trending structure offsetting the ultramafic schist does however display apparent sinistral movement. The apparent dextral offset may be explained by movement having a dip-slip component of movement as well, resulting in plan-view offset that appear to be dextral in nature.

Paleozoic Stratigraphy and Intrusive Rocks

The ultramafic schist (MzPzyo) occurs as thrust klippens on the property overlying the augen gneiss and quartz-mica schist. It consists of serpentized ultramafic rocks, comprised mainly of coarse fibrous talc, actinolite and chlorite. It is locally non-foliated but commonly well foliated, and folded near the basal thrust contact related to D₂ tectonism (Figure 7-4 of the Healy Report). These rocks weather to dark yellow-brown.

The augen gneiss (MDag) is generally composed of white potassium feldspar, biotite and quartz. Augens of feldspar are 1 to 10 cm long, averaging 4 cm, and range from locally absent to abundant. Quartz is commonly translucent, and biotite is generally medium grained, scarce to abundant. Foliation layers containing biotite bend around quartz and feldspar grains.

The quartz-mica and quartz-biotite-hornblende schists (PzPxygs) generally have a granoblastic texture, 1-2mm grains, well foliated and locally folded, some foliation layers contain 1-3% amphibole. Quartz boudins and pods are locally abundant and often contain discontinuous veins of bull (massive white) quartz veins. The schists are locally garnetiferous transitioning to hornfels. These rocks weather to grey-brown, locally oxidized at surface (Figure 7-5 of the Healy Report).

Hornfels within the quartz-mica schist has been mapped at one locality in the central portion of the property, and is speculated to be a garnet hornfels. The rock is very hard, with near conchoidal fracture, and grain boundaries are too fine to discern. It has a fine laminar foliation with no compositional banding, and is pale pinkish-brown on fresh surfaces (Essman, 2013, Figure 7-6 of the Healy Report).

Amphibolite is present as a thin (3-10m thick) layer within the schist package of rocks, but is discontinuous along bedding. It has a distinct dark green colour, contains 1% garnets, and is locally schistose but commonly non-foliated (Essman, 2013). The unit is more resistant on the weathered slopes compared to the encompassing schist units.

The mid Cretaceous granitic rocks have been mapped as predominantly granodiorite, and minor intrusions of diorite and granite. The large intrusion which underlies the eastern portion of the property has a granodioritic composition. The granodiorites are composed of plagioclase>quartz>K-feldspar, and are equigranular and fine grained (<1 mm) in smaller intrusions grading to medium grained (1-5 mm) in the larger intrusions. Many intrusions contain northeast trending micro-shear fractures and shear planes related to the late D₃ and D₄ tectonics. These fracture planes are often well oxidized.

Structural Geology

The tectonic evolution affecting rocks of the Goodpaster district has previously been above; several structural features seen on the Healy project can be correlated to tectonic events D₂ through D₄.

Penetrative foliation developed during D₂ has been measured in outcrop across the property, generally shallow to moderately dipping towards the west-northwest (Figure 7-7 of the Healy Report). Thrusting of the gneiss and schist units also occurred during this time, creating thrust panels of augen gneiss, quartz-mica schist, and quartz-biotite-hornblende schist located in the central portion of the property and thrust localized klippens of ultramafic schist across the property (Figure 7-8 of the Healy Report).

Later D₃ (ductile to brittle) and D₄ (brittle) deformation created interpreted structural blocks within the Healy Project. Analysis of the foliation between these structural domains is presented in Figure 7-7 of the Healy Report. Domain 1 has not been mapped in as great of detail compared to Domains 2 and 3, but the measured foliation has a fairly consistently moderate dip towards the west-northwest. Foliation within Domain 2 has more variation, with shallow dips towards the west and moderate dips towards the northwest. This could be accounted for by later D₃ and or D₄ faulting. Domain 3 has the greatest variation in foliation, but also contains the greatest amount of known thrusting. General foliations dip moderately to the northwest, to dipping shallowly to the southeast. This could be explained by open anticlines formed during/related to the D₂ thrusting deformation. The current interpretation is that movement along these thrusts was top plate to the east-southeast, creating fault-bend folds (open anticlines) in the hanging wall plate which would account for the variation in foliations measured in Domain 3. Fold measurements are rare on the property due to the rubbly nature of outcrops, but small scale folds are abundant within subcrop blocks seen at surface. Domain 4 is similar to Domain 1 in the sense that it has not seen the detailed mapping compared to Domains 2 and 3, but the foliation is fairly consistent with shallow to moderate dips towards the southwest.

The variation in foliation between Domains 1 through 4 suggests that the faults used to break out the Domains are significant structures. These may represent faults which have significant offsets, and or have a rotational component to movement which are not currently understood.

Distinguishing faults initiated during D₃ and D₄ is sometimes problematic on the Healy project. D₃ tectonism in the region is characterized by the Black Mountain Tectonic Zone, a major northeast to north-northeast trending zone of complex normal and sinistral faulting. D₄ tectonism is characterized by northeast trending sinistral fault systems throughout the terrane. It is the author's interpretation that the main faults used to break out the structural blocks (Figure 7-7 of the Healy Report) were most likely initiated during D₃ tectonism. Significantly, the north-northeast trending fault separating Domain 2 from Domain 3 seems to be the major control of mineralization within the Main Zone, and therefore would have to been active during D₃.

Several of the northeast trending structures also seem to be controlling mineralization (West and East Zones) near intersections with north-northeast lineaments, and therefore are also postulated to have initiated during D₃. During D₄ tectonism, some northeast trending structures may have been reactivated.

The absence of drilling greatly restricts available data for building a 3-dimensional framework for the Healy property. However, a schematic cross-section is presented in Figure 7-8 of the Healy Report.

Mineralization and Alteration

A number of different potentially economic IRG deposits have been identified in the Tintina Gold Belt, which will be discussed in further detail in "*Deposit Types*" below. Based on information presented in the Healy Report, gold mineralization hosted within the Healy Project is best characterized as being proximal to distal from a causative intrusion, and hosted by structurally controlled metasomatic replacement zones.

Gold mineralization within the Healy Project is predominantly hosted in both oxidized and sulfidic, quartz-sericite-pyrite altered gneiss and schist. To date the majority of strongly altered and mineralized zones have been discovered within, or adjacent to the district scale north- northeast and northeast trending shear zones and faults. Host rock also appears to be an important control on

alteration and gold deposition. Where mineralized structures cut non-receptive lithologies such as the ultramafic schist, alteration zones are restricted to corridors no greater than 2-3 m in width, and gold grades tend to be very low. Where these same structures cut through more favorable lithologies (augen gneiss and quartz-mica schist), alteration zones may range from 10s to 100s of meters in width. The Mg-rich ultramafic rocks generally have low iron content, and one of the key elements to gold deposition by this hydrothermal system seems to be the presence of reactive Fe minerals in the host rock.

Geologic mapping conducted in 2013 by Newmont personnel included notes describing alteration and mineralization. However, the district scale faults interpreted to be the main control on gold mineralization are recessively weathered on the Healy project, and therefore bedrock exposure is poor. What has been mapped in general, are zones of alteration peripheral to the main structures; these zones correlate well with the gold in soil anomalies defined by a threshold of >25 ppb Au. Because Healy is an early stage exploration project, soil geochemistry and surface rock chip samples are the main criteria for determining areas of interest. A schematic cross section showing structural and lithological controls on alteration and mineralization is presented in Figure 7-9 of the Healy Report.

IoGAS was used to visualise the soil geochemistry to determine what elements correlate well with Au as a first pass assessment. Gridded soil plots for the Healy Project are presented in Figure 7-10 of the Healy Report. These soil geochemistry plots include all data collected by Newmont (2012 and 2013 soils) and Northway (2018 soils), with the exception of tungsten. Soils collected in 2018 were assisted by power augers for collecting samples at greater depths compared to conventional shovel dug soil samples. The augers used had tungsten carbide bits on them and rendered the tungsten values unusable compared with historical data. Therefore the tungsten plot within Figure 7-10 of the Healy Report only shows data from the Newmont 2012-2013 soil sampling campaigns.

Initial scrutiny of the data suggested metal associations to be Au-As±Sb,Ag,Bi,Te for the Healy Project. Areas of interest have been defined as having favorable structures, and large coherent soil geochemical footprints with >25 ppb Au and strong correlations with some or all of the mentioned metal associations.

The Main Zone is a large north-northeast trending geochemical anomaly approximately 2200 m long by 250-500 m wide. The central portion of the Main Zone is where Newmont completed the short back-pack drill holes (Figure 7-11 of the Healy Report). It is defined by having predominantly >25 ppb up to 531 ppb Au, and up to 1720 ppm As, 2360 ppm Sb, and 3.83 ppm Ag in soil samples (Figure 7-12 through 7-17 of the Healy Report). From within this zone 86 surface rock chip samples have been collected ranging from below detection limit (0.001 ppm Au) to 0.855 ppm Au, of which 28 samples returned >0.100 ppm Au. Statistics for these 28 samples returned an average Au:Ag ratio of 1:14.8. It should be noted that the northern portion of this zone contains significantly lower Sb and Ag anomalism compared to main portion of the trend. The intersections of a major north-northeast fault truncating several northeast trending structures on the west side is the interpreted controls of mineralization within this zone. A significant gap in anomalism directly correlates with the mapped ultramafic schist.

The West Zone is a large northeast trending, but more discontinuous geochemical anomaly approximately 1200 m long by 200-1000 m wide. It is defined by having significant samples >25 ppb up to 544 ppb Au, and up to 1075 ppm As, and 2.15 ppm Ag in soil samples. From within this zone 15 surface rock chip samples have been collected ranging from below detection limit to 1.020 ppm Au, of which 4 samples returned >0.100 ppm Au. Statistics for these 4 samples returned an average Au:Ag of 1:0.2 ratio, significantly lower than that of the Main Zone.

Structural controls within this zone are 5-10 m wide northeast trending shear zones containing sericite ± silica alteration. Abundant quartz veining 1-5 cm thick has been noted locally within the zone.

The East Zone is a large northeast trending geochemical anomaly approximately 1200 m long by 100-350 m wide. It is defined by having predominantly >25 ppb up to 339 ppb Au, and up to 754 As, >10000 ppm Sb, 6.88 ppm Ag, 2.42 ppm Bi, and 0.15 ppm Te in soils. From within this zone 12 surface rock chip samples have been collected ranging from below detection limit to 0.176 ppm Au, of which 2 samples returned >0.100 ppm Au. The average for these 2 samples returned a Au:Ag ratio of 1:21.4, similar to that obtained from samples within the Main Zone. A significant northeast trending fault zone which offsets the thrust panels of augen gneiss and schist is the dominant control of mineralization. Areas of greater Au tenure and footprint occur at the intersection with a north trending fault on the north side.

The South Zone has been traced over three soil lines spaced 400 m apart, displaying a northeastern trend approximately 800 m long by 100-500 m wide, remaining open to the west and somewhat to the north. It is defined by having 4 ppb to 89 ppb Au, and up to 233 ppm As, and 1.94 ppm Ag in soil samples, results are displayed in Figure 7-18 of the Healy Report. Only 3 rock samples have been collected from within this zone, returning only trace level Au. This area has seen less detailed mapping and prospecting compared to the Main, West and East zones.

In summary, the four zones at Healy have slightly different metal associations. The Main Zone contains Au+As+Sb+Ag, the West Zone is anomalous in Au+As±Ag, the East Zone is anomalous in Au+As+Sb+Ag±Bi,Te, and the South Zone is anomalous Au+As±Ag. Overall, arsenic is most strongly correlated with gold while antimony and silver seem to strongly correlate with one another, but are not necessarily correlative with elevated Au+As anomalism. This can also be seen in analysis of the anomalous surface rock chip samples: the Main and East Zones have Au:Ag ratios of 1:14.8 and 1:21.4 respectively, whereas the West Zone has a ratio of 1:0.2 which suggests significantly different hydrothermal fluids have mineralized these areas.

Bismuth and tellurium further complicate the metal associations between the zones. Only the East Zone has overlapping anomalism in Bi+Te with Au. Several strong bismuth anomalies occur within the project (Figures 7-16 and 7-18 of the Healy Report), but are generally located peripheral to the gold anomalies; immediately along strike to south-southwest of the Main Zone, approximately 2 km to the northeast of the West Zone, and 1.8 km to the south of the South Zone which is also coincident with the strongest tellurium + gold anomaly on the project. Tungsten seems to have a very weak correlation with bismuth, but the majority of anomalism does not hold together spatially and appears erratic.

Most IRG models associate strong bismuth-tellurium correlations with gold as intrusion hosted to proximal gold mineralization, while strong antimony and silver associations are correlated with distal mineralization. The East Zone contains both of these metal relationships. To explain this, it is proposed that the Healy Project has undergone several pulses of mineralization with telescoping of lower temperature, distal signatures over older, higher temperature proximal systems. Similar observations have been made in the nearby Tibbs project area (Freeman and Flanders, 2008), in the Richardson project area (Singh and others, 2017) and Golden Summit project (Freeman, 2009).

Deposit Types

Lode gold deposits of the Tintina Gold Belt have been increasingly studied over the past three decades. Few distinguishing, diagnostic characteristics separate IRG deposits from classic orogenic

gold deposits. Distinguishing between the two ore deposits types is further complicated in the Tintina Gold Belt by their spatial and temporal association with mid- Cretaceous plutons. There is still debate over the genesis of several deposits, so different IRG classification models have been summarized below for comparisons with the Healy Project.

Classifications for IRG deposits have been proposed for the significant and potentially economic gold deposits within the Tintina Gold Belt. Characterizing host rocks, isotopic signatures, spatial association with intrusive rocks, genetic link between causative intrusion and gold mineralization, and associated metals have allowed researchers to group IRG deposits into the following broad categories:

1. Gneiss or high-grade schist-hosted quartz veins or metasomatic replacement zones proximal to or within causative intrusives. Gold often forms in ductile shear zones that were reactivated during extensional tectonism. Metals associated include Au, Bi, Te, and As and possibly Cu±W. Pogo (+8 Moz), Gil (+0.5 Moz) and the Grey Lead prospect at Tibbs project are examples of such mineralization.
2. Stockwork-shear style mineralization hosted in porphyritic intermediate to felsic intrusive rocks. Mineralization contains Au with anomalous Bi, Te, W and trace Mo. There is a strong genetic relationship between host intrusion and gold mineralization. Examples include Fort Knox (14 Moz) and Eagle (+3 Moz).
3. Porphyritic stockwork with intrusion/schist shear hosted Au-As-Sb, with a strong genetic relationship between host intrusion and gold mineralization. Ryan Lode (2.4 Moz) and Dolphin (6.5 Moz) are examples of this type of mineralization.
4. Base metal ± Au, Ag and W intrusion hosted mineralization with a possible genetic relationship between precious metal mineralization and intrusion. Silver Fox prospect is an example.
5. Structurally controlled mineralization hosted by schist-only high angle shear zones and veins. Associated metals include Au, As, Sb, Ag, Pb and W in low-sulfide quartz- carbonate veins. Alteration adjacent to veins is pervasive quartz-sericite-sulfide alteration that can extend for up to one mile from the source structure. Deposits were mined heavily prior to World War II and are noteworthy because of their exceptional grades (+1 to +5,000 opt Au). Examples include Cleary Hill (281,000 oz production), Christina (20,000 oz production), American Eagle (60,000 oz production), Hi Yu (110,000 oz production) and Newsboy (40,000 oz production) veins.
6. Low angle, disseminated, carbonate and/or volcanic rock hosted Au-As-Sb mineralization associated with brittle thrust or detachment zones distal to generative intrusives. Favorable host rocks may provide chemical and/or physical traps for mineralizing fluids. The True North deposit (1.3 Moz) and Livengood (20.2 Moz) are examples of this type of mineralization.
7. Shear-hosted monomineralic massive stibnite pods and lenses. Trace As, Au, Ag and Pb but these prospects are noteworthy because they appear to represent the most distal end members of the hydrothermal systems. Examples include the past producing Scrafford mine in the Fairbanks District and the Stampede mine in the Kantishna District.
8. Plutonic-related boron enriched silver-arsenic-bismuth-tin-polymetallic deposits are hosted in high level plutonic rocks and overlying hornfels and greisen alteration zones. Mineralization occurs in veins, stockworks and replacement zones. Alteration assemblages are

dominated by silica-sericite alteration with boron minerals (tourmaline, axinite). These deposits commonly show enrichment in B-F-U-Th-Rb-Nb-Ta and REEs. Examples include the Shawnee Peak prospect on the Pogo mine property and at the Hilltop and Shamrock prospects on the Richardson project.

9. Peraluminous granite porphyry gold-polymetallic deposits hosted in mid-Tertiary granite porphyry dikes and sills that grade upwards to shallow level intrusives. Gold mineralization is often associated with Sb-Hg-As. Alteration assemblages are dominated by argillic, potassic and silicic plus dickite. The Donlin Creek deposit (+40 Moz) and the Vinasale deposit (+1.9 Moz) are examples of this style of mineralization.

The current classification of many significant prospects and deposits across the Tintina Gold Belt includes epizonal to mesozonal environments compatible with both intrusion-related and orogenic genesis.

Based on information presented in the Healy Report it is the author's opinion that the mineralization present at Healy is best characterized as part of a proximal to distal IRG, with gold hosted by structurally controlled metasomatic replacement zones. To date high angle, north-northeast and northeast trending structures are the main control for variably intense quartz-sericite- pyrite alteration associated with gold mineralization.

Exploration

In July, 2018 the Company and Newmont announced that they had signed the Option Agreement on the Healy Project. In this agreement the Company can earn a 70% interest in the Healy Project by spending USD\$4,000,000 during 4 stages of exploration over a period ending December 31, 2022.

The first stage of exploration was completed during the summer of 2018. In this stage the Company conducted a reconnaissance power auger assisted soil sampling program with the goal of confirming some of the stronger Au anomalies which had been identified by Newmont during the 2012 and 2013 programs as discussed in section 6 of this report. Additional sample locations were chosen to extend detailed coverage into areas with anomalous Au in soils on the edges of Newmont's previous soil surveys. A total of 264 soil samples were collected and analysed for gold plus a multi-element geochemical package. In addition to these soil samples, 25 rock chip samples were collected during this same program by Northway geologists and were analysed for gold plus a multi-element geochemical package. Total expenditure for the 2018 field program was US\$93,571. Results of this work are discussed below.

Soil Geochemistry

264 soil samples were collected during the 2018 program. All samples were collected using power augers with samples collected from the A through C-horizons at depths up to 7 feet depending on soil profile development, bedrock depth and permafrost conditions. Effort was made to consistently sample from the C-horizon proximal to bedrock, although when obtaining a suitable sample from the C-horizon was not possible a sample of the B or A horizons were collected and noted as such.

Soils were collected along NNW trending lines at 50m spacing between sample stations. A total of 15 lines of approximately 25 samples per line were sampled with spacing either 200m or 400m between lines (Figures 7-10 to 7-16 of the Healy Report). Location information and data collection at each sample station was collected digitally on a handheld GPS device. The data collected by the

Company's geologists involved noting the depth to sample, sample colour, the horizon being sampled, moisture content, bedrock or rock chip lithology, any notable alteration and photos of both the sample medium and the sampling area.

During the program QA/QC samples were inserted to maintain a 10% protocol for QA/QC purposes and consisted of inserted blank material and commercial standards.

A total of 278 samples including QA/QC samples were delivered to ALS in Fairbanks, Alaska for preparation, and prepared samples were sent to ALS in Vancouver for analysis. Samples were analyzed by fire assay (ICP-AES finish) for gold, and ICP-MS (four acid digestion) for trace elements (48 elements).

Main Zone

A total of 70 soil samples were collected within the Main Zone along 400 m spaced lines at 50 m sample spacing. The purpose of these samples were to confirm historical soil geochemical results, and test if utilizing power augers to obtain samples at greater depths would increase the gold tenure and produce a more coherent spatial anomaly. Overall, the gold tenure was slightly increased from historical results using conventional shovel dug pits, and coherent anomalism along the grid lines was obtained compared to the more erratic historical results along the main anomaly trend. Of the 70 samples collected, results ranged from detection limit (1 ppb) to 226 ppb Au with five samples returning >100 ppb Au (results shown in Figure 7-12) of the Healy Report.

The results of this survey have confirmed the north-northeast trend of mineralization associated with the interpreted controlling structures, and further indicated that the augen gneiss may be a more favorable host rock for gold mineralization.

West Zone

A total of 54 soil samples were collected within the West Zone area along 400 m spaced lines at 50 m sample spacing. Like the Main Zone area, the purpose of these samples were to confirm historical soil geochemical results utilizing power augers to obtain samples at greater depths.

Gold results between the 2018 and historical results matched fairly well, with the exception of two adjacent samples along the furthest east line where historical samples returned 2 ppb and 6 ppb Au, compared to 205 ppb and 347 ppb Au respectively from the 2018 sampling. Of the 54 samples collected here, results ranged from detection limit (1 ppb) to 544 ppb Au; with six samples returning >100 ppb Au (results shown in Figure 7-12 of the Healy Report). The results of this survey has confirmed historical results, but the overall trend of mineralization is harder to correlate with the known geology, further mapping and or drilling will be required to determine the structural framework controlling mineralization.

East Zone

A total of 78 soil samples were collected along the East Zone trend on 200 m spaced lines at 50 m sample spacing. The purpose of this survey was to extend the historical grid to sample over interpreted structures where gold anomalism was obtained at the edges of the existing grid coverage. Of the 78 samples collected here, results ranged from below detection limit (1 ppb) to 339 ppb Au; with five samples returning >100 ppb Au (results shown in Figure 7-12 of the Healy Report). The survey was successful in extending the soil anomaly, with robust anomalism correlating with the intersection of north and northeast structures.

South Zone

A total of 62 soil samples were collected in the South Zone area on 400 m spaced lines at 50 m sample spacing. The purpose of this survey was to conduct an initial soil grid survey in an area that had only been sampled by ridge and spur soils historically. Of the 62 samples collected here, results ranged from below detection limit to 95 ppb Au (results shown in Figure 7-18 of the Healy Report). A large soil anomaly defined by >25 ppb Au has started to emerge from this survey and remains open to the west. This area occurs in the lower parts of a valley with moderate to thick forests and scarce bedrock exposures. Additional grid soil sampling by infilling lines to 200 m spacing and extending the grid may be the best way to define trends.

Geological Mapping and Rock Chip Sampling

The main objectives of the 2018 Healy program was geochemical sampling when the Company's geologists encountered more outcropping geology than expected during the 2018 soil sampling program they concluded it would be of value to conduct minor reconnaissance mapping and rock chip sampling to advance our understanding of outcropping lithologies and their structural features.

One single geological mapping and sampling traverse was undertaken by a team of two senior geologists of the Company on the final day of the 2018 program. Geological observations were collected digitally via handheld GPS device at 40 stations, from which a total of 25 rock chip samples were collected for geochemical analysis.

A total of 29 samples including QA/QC samples was delivered to ALS in Fairbanks, Alaska for preparation, and prepared samples were sent to ALS in Vancouver. Samples were analyzed by fire assay (ICP-AES finish) for gold, and ICP-MS (four acid digestion) for trace elements (48 elements).

The rock samples collected during the 2018 field did not return any gold values of significance. A large portion of the samples was collected from the ultramafic schist klippen located immediately north of the Main Zone anomaly. These results combined with historical data, and new interpretations have helped confirm that the ultramafic schists are not a favorable host rock for gold mineralization at Healy.

Drilling

The author of the Healy Report is not aware of any additional drilling conducted on the Healy Project other than the Shaw back-pack drilling conducted by Newmont in 2013 and previously discussed in *History* above.

Sample Preparation and Analysis

Soil Samples

264 soil samples were collected during the 2018 program. Soil collection was completed on established grid lines, confirming historical results over the West and Main Zones, extending the historical grid over the East Zone, and completing initial 400m spaced lines over the South Zone anomaly.

All samples were collected using power augers with samples collected from the A through C-horizons at depths up to 7 feet depending on soil profile development. Effort was made to

consistently sample from the C-horizon proximal to bedrock, although when obtaining a suitable sample from the C-horizon was not possible a sample of the B or A horizons were collected and noted as such.

Location information and data collection at each sample station was collected digitally on a handheld GPS device. The data collected by the Company's geologists involved noting the depth to sample, sample colour, the horizon being sampled, moisture content, bedrock or rock chip lithology, any notable alteration and photos of both the sample medium and the sampling area. Soil samples were placed in Hubco Sentry sample bags, and at the end of the field day samples were organized and laid out on tables to allow for preliminary drying before being placed into rice bags ready to ship to ALS.

During the program QA/QC samples were inserted to maintain a 10% protocol for QA/QC purposes and consisted of inserted blank material and commercial standards.

A total of 278 samples including QA/QC samples were delivered to ALS in Fairbanks, Alaska by the Company's field personnel.

Sample preparation at ALS included drying at $<60^{\circ}\text{C}$, and sieving to -180 micron (80 mesh). Both fractions were retained after sieving. Prepared samples were sent to ALS in Vancouver and were analyzed using ALS' ME-MS61 +AU-ICP21 methods, which is a four acid digestion of a 0.25g sample with an inductively coupled plasma ionisation of the material to be analysed via mass spectrometry (ICP-MS) followed by gold by fire assay of a 30g sample analysed by inductively coupled plasma ionisation with atomic emission spectroscopy (ICP-AES).

Rock Samples

One single geological mapping and sampling traverse was undertaken by a team of two senior geologists for the Company on the final day of the 2018 program from which a total of 25 rock chip samples were collected and submitted for geochemical analysis. Data was collected digitally via handheld GPS device included location, lithology, alteration and any mineralization observed.

Samples were photographed in the field and placed in Hubco Sentry sample bags. At the end of the day, the samples were organized and QA/QC blank and commercial standard samples were inserted into the sample number sequence. Samples were placed into rice bags ready to ship to ALS.

A total of 29 samples including QA/QC samples were delivered to ALS in Fairbanks, Alaska by Northway field personnel. Rock sample preparation at ALS consisted of being crushed to 70% passing 6mm. The crushed samples were then crushed less than 2mm, riffle split off 250g and then pulverised to 85% passing 75 microns. Prepared samples were sent to ALS in Vancouver and were analyzed using ALS' ME-MS61 +AU-ICP21 methods, which is a four acid digestion of a 0.25g sample with an inductively coupled plasma ionisation of the material to be analysed via mass spectrometry (ICP-MS) followed by gold by fire assay of a 30g sample analysed by inductively coupled plasma ionisation with atomic emission spectroscopy (ICP-AES).

Quality Assurance/Quality Control

Technical data provided in the Healy Report has been derived from a review of existing reports, memos and data collected by Newmont, government reports, technical reports and public papers and records. The author of the Healy Report referenced various documents where applicable, but cannot verify the accuracy or completeness of the information given in the reports. When reviewing

historical data collected by Newmont, it was noticed that assay certificates were not provided for the majority of geochemical data available in digital format. However, assay certificates from ALS (Reno, NV) were provided for the 12 rock samples collected during the back-pack drill program in the fall of 2013. The author of the Healy Report believes that any digital data provided by Newmont is credible and accurate and that field data was collected with procedures that generally meet industry best management practices for an exploration- stage project.

The author of the Healy Report conducted a site visit to the Healy Project on August 25, 2018. The purpose of this visit was to review the property geology, structure, and mineralization and to review outcrops near the Main Zone soil anomaly. The site visit included a helicopter flight overview of parts of the project area, and ground traverses over the Main Zone to review outcrops of granodiorite, unaltered augen gneiss and the surface expression of the strongest Au-As-Sb in the Main soil anomaly. One of the drill collars from the 2013 pack sack drilling, consisting of a PVC pipe stuck in the ground, also was located and its location confirmed with the digital database.

It is the author's professional opinion that the geological and analytical data presented in the Healy Report is adequate for use in determining exploration potential on the property.

Data Verification

The author of the Healy Report did not attempt to determine the veracity of geochemical data reported by other parties, nor did the author attempt to conduct duplicate sampling for comparison with the geochemical results provided by other parties. In the author's opinion, the data on which the author relied for this report was acquired using adequate quality control and documentation procedures that generally meet industry best management practices for an exploration-stage project.

Mineral Processing and Metallurgical Testing

To the best of the author of the Healy Report's knowledge, there have been no metallurgical studies conducted on the Healy Project.

Mineral Resource Estimates

To the best of the author of the Healy Report's knowledge, there currently are no mineral resources on the Healy Project that comply with the CIM Standards on Mineral Resources and Reserves Definitions and Guidelines adopted by CIM Council.

Mineral Reserve Estimates

To the best of the author of the Healy Report's knowledge, there currently are no mineral reserves on the Healy Project that comply with the CIM Standards on Mineral Resources and Reserves Definitions and Guidelines adopted by CIM Council.

Mining Methods

This category of Canadian National Instrument Form 43-101 is not applicable because the Healy Project is not presently a development or production property.

Recovery Methods

This category of Canadian National Instrument Form 43-101 is not applicable because the Healy Project is not presently a development or production property.

Project Infrastructure

This category of Canadian National Instrument Form 43-101 is not applicable because the Healy Project is not presently a development or production property.

Market Studies and Contracts

This category of Canadian National Instrument Form 43-101 is not applicable because the Healy Project is not presently a development or production property.

Environmental Studies, Permitting and Social or Community Impact

To the best of the author of the Healy Report's knowledge no environmental studies have been carried out on the Healy Project. The Healy Project is located in a mining friendly jurisdiction that has successfully permitted mining operations in the past, including Northern Star Resources' operating Pogo gold mine. To the best of the author's knowledge no social or community impact studies have been done to date.

Capital Operating Costs

This category of Canadian National Instrument Form 43-101 is not applicable because the Healy Project is not presently a development or production property.

Economic Analysis

This category of Canadian National Instrument Form 43-101 is not applicable because the Healy Project is not presently a development or production property.

Adjacent Properties

There are several State of Alaska claims blocks and Native Patented and Selected claim blocks across the Goodpaster Mining District. Claims which are immediately adjacent to the Healy Project include two Native Patents or Interim Conveyance blocks owned or controlled by Doyon Limited to the west and southwest, and also Native Selected claims on the east which overlaps the eastern edge of the Healy claim block (Figure 23-1 of the Healy Report). It is unknown to the author of the Healy Report if any exploration work is currently being conducted on these lands.

To the north of the Healy Project are State of Alaska claims of the Brink project that are owned by Stone Boy Inc., which is owned by subsidiaries of Sumitomo Metal Mining (95%) and Sumitomo Corp. (5%). Exploration efforts on the Brink project date back to the early 1990's and to as recently as 2017. Results of this work have not been released to the public. Farther north are State of Alaska mining claims owned by Anglo Alaska Gold Corp and Tibbs Creek Gold LLC which collectively make up the Tibbs project currently operated by Tectonic Metals (Figure 23- 1 of the Healy Report). Tectonic Metals recently began to re-explore the historic Tibbs Creek group of occurrences (Gray Lead, Blue Lead, Grizzly Bear, Michigan, Wolverine, and O'Reely) by confirming historical

surface results with soil sampling (soil auger), backhoe trenching, airborne geophysics and mapping/prospecting.

Interpretation and Conclusions

The author of the Healy Report's interpretations and conclusions are summarized as follows:

Geology

- The Healy Project is located within the Goodpaster Mining District (host to the currently operating Pogo gold mine and historic gold mines of the Tibbs Creek area). This district is within the prolific Tintina Gold Belt.
- The north-northeast trending Black Mountain Tectonic Zone trends through the property and represents a crustal scale structural corridor activated during the Cretaceous tectonism and plutonism coincident with the major magmatic event related to IRG deposits across the Tintina Gold Belt
- The Healy Project is underlain by high grade metamorphic gneiss and schists, adjacent to mid Cretaceous granitic batholiths. This is a similar setting to the Pogo gold mine.

Mineralization

- Gold mineralization is hosted within gneiss and schists of the Lake George sub-terrane of the North America (basinal strata) geologic terrane. Based on information presented in the Healy Report, proximal to distal, structurally controlled metasomatic replacement zones are the currently known types of mineralization.
- Gold mineralization is structurally controlled by north-northeast and northeast trending structures correlating with the Black Mountain Tectonic Zone. Several structural intersections are associated with strong Au-As±Sb, Ag, Bi soil anomalies.
- Alteration associated with gold mineralization includes varying intensities of quartz-sericite-pyrite within gneiss and schist host rocks. Quartz occurs as silica flooding to stringers containing oxidized vuggy sulphide relicts. Pyrite is the dominant sulphide, occurring as disseminations (up to 4%) to mm scale veinlets.

Exploration

- Exploration work has highlighted a number of areas which warrant follow-up programs. The large gold in soil anomalies, grab rock samples at surface, and strong gold anomalism encountered in the back-pack drilling correlate well with interpreted structures believed to be mid Cretaceous in age.
- Work conducted on the Healy Project has developed several drill ready targets.

QA/QC

- The QC programs employed during exploration on this project were overseen by appropriately qualified professional geologists using adequate quality control procedures that generally meet or exceed industry best practices for an exploration stage property

Recommendations and Budgets

Based on the encouraging exploration results obtained to date, particularly the large footprint of hydrothermal alteration as defined by the soil geochemistry and encouraging results obtained from the small back-pack drill program, the author of the Healy Report is of the opinion that continued exploration on the Healy Project is warranted. The author's specific recommendation is to complete a comprehensive RC drill program focusing on the Main Zone, targeting favorable soil geochemistry, interpreted structures and follow-up to Newmont's back-pack drill holes.

Drill holes are proposed for 100m depth, along fences comprised of two to four drill holes. Drill direction should be reversed between drill fences across the interpreted mineralized structures, as the attitude of these structures is currently unknown.

If further work is warranted beyond this proposed program, a detailed structural analysis is recommended for the Healy Project. This will aid in targeting for subsequent diamond drill programs on the Main Zone. If the RC drill program proves to be an efficient strategy for initial testing on the Healy Project, it is recommended that similar programs be completed for the other known mineralized zones during subsequent years of exploration.

A budget of \$360,000 is recommended for this program, including annual claim rental fees. A summary of the cost breakdown is presented in Table 26-1

Table 26-1: Recommended Work Program Budget

Recommended Healy Program Budget (US\$)	
Claim Rental Fee	\$55,000.00
RC Drill Program	
Drilling	\$102,000.00
Helicopter Support	\$112,000.00
Geochemistry	\$34,000.00
Support/Equipment/Supplies	\$29,000.00
Subtotal	\$277,000.00
Contingency (10%)	\$28,000.00
Total	\$360,000.00

USE OF PROCEEDS

Proceeds and Funds Available

The Company expects to receive \$2,000,000 in gross proceeds from the Offering. The funds expected to be available to the Company upon completion of the Offering and the expected principal purposes for which such funds will be used are described below. The completion of the Offering is subject to all 20,000,000 Shares being placed.

Funds Available

	Offering
Gross proceeds of the Offering ⁽¹⁾	\$2,000,000
Less: Agents' Commission and Corporate Finance Fee	<u>\$176,750</u>
Net Proceeds of the Offering ⁽¹⁾	\$1,823,250
Working Capital ⁽²⁾⁽³⁾	<u>\$200,085</u>
Net Funds Available ⁽⁴⁾	<u>\$2,023,335</u>

-
- (1) After deduction of the Agents' Commission and Corporate Finance Fee plus applicable taxes, but before deducting the other expenses of the Offering
- (2) At May 31, 2019, the Company had an approximate working capital of \$200,085 raised through prior issuances of securities. See "*Prior Sales*".
- (3) Any funds received as a result of the exercise of the Agents' Warrants or stock options granted to the Company's directors, officers, employees and consultants will be added to the Company's general working capital.

If the Over-Allotment Option is exercised in full, the Company will receive additional net proceeds of \$279,000, after deducting the Agents' Commission, but before deducting the other expenses of the Offering.

Principal Purposes

The following table indicates the principal uses to which the Company proposes to use the net funds available:

Item	Amount
Estimated expenses of the Offering ⁽¹⁾	\$140,075
Exploration program on the Healy Project ⁽²⁾	\$486,000
Maintenance costs for secondary exploration property	\$9,310
General and Administrative Expenses ⁽³⁾	\$360,000
Unallocated Working Capital ⁽⁴⁾	<u>\$1,027,950</u>
Net Funds Available	<u>\$2,023,335</u>

-
- (1) The balance of the remaining anticipated expenses of the Offering are legal fees (\$60,000), audit fees (\$20,000) and filing fees with the Exchange and Securities Commissions (\$20,575) as well as the expenses of the Agents (\$40,000), less a \$15,000 retainer paid by the Company to the Agents.
- (2) See "*Mineral Properties*" above for a description of the Healy Project and the work program recommended in the Healy Report of US\$360,000 (converted to CDN dollars at a rate of US\$1.00= CDN \$1.35).

- (3) General and administrative costs for the next 12 months are expected to comprise: executive compensation of \$200,000, professional fees of \$118,000 (including transfer agent, filing fees and other costs associated with operating as a public company), office rent and administrative expenses of \$32,000 and miscellaneous costs of approximately \$10,000 (comprising travel and other miscellaneous costs).
- (4) Unallocated funds will be added to the working capital of the Company and invested in short-term interest-bearing obligations.

Should the Over-Allotment Option be exercised in whole or in part, the net proceeds from such exercise, if any, are expected to be used for general corporate and working capital expenses.

The Company intends to spend the net funds available to it as stated in this Prospectus. However, there may be situations where, due to change of circumstance, outlook, exploration results, property status and or business judgment, a reallocation of funds is necessary in order for the Company to achieve its overall business objectives. The Company will only redirect funds to other properties that may be acquired at a later date on the basis of a recommendation from a professional geologist or engineer. If such a change occurs during the distribution of the securities offered under this Prospectus, the Company may have broad discretion in the application of such net proceeds and, if required, an amendment to this Prospectus will be filed. Pending utilization of the net proceeds derived from the Offering, the Company intends to invest the funds in short-term, interest bearing obligations at the determination of the Company's Chief Financial Officer. Unallocated funds will be added to the working capital of the Company.

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 anticipates that the net proceeds from the Offering will be used to fund future negative operating cash flow.

Stated Business Objectives and Milestones

The business objectives of the Company, using the available funds, are as follows: (a) obtain a listing of the Shares on the Exchange and (b) to complete the Phase 1 exploration program on the Healy Project, as recommended by the Healy Report. The listing of the Company on the Exchange is anticipated to occur shortly after completion of the Offering, subject to the Company fulfilling all of the requirements of the Exchange. Key milestones to achieve the Company's strategy are set forth pursuant to the work program recommendations set forth in the Healy Report, which program is expected to be completed in the summer of 2019, provided the Offering has completed. In the event the Offering has not completed prior to the end of the summer season and as the claims forming the Healy Project are valid until September 2019, the Company will seek to complete sufficient surface exploration to maintain and renew the claims forming the Healy Project in good standing until 2020 and complete the recommended work program in the 2020 exploration season.

The costs of the recommended work program will be paid for entirely from the net proceeds of this Offering and from existing working capital. The completion of the further exploration programs for the Healy Project will be contingent upon the results of the work program recommended in the Healy Report. If the results of such program warrants further exploration and the completion of additional exploration, the Company will seek to raise additional funds to complete additional programs through the completion of an equity financing, which will cause further dilution to shareholders, if such financing is available. There can be no assurances that additional financing will be available to the Company in the amount required at any particular time, or, if available, that

it can be obtained on terms satisfactory to the Company. The Company may also seek further opportunities to expand its resource base through the exploration for, and acquisition of, projects of merit.

DIVIDENDS

The Company has neither declared nor paid any dividends on any of its share capital. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its shares in the foreseeable future. The payment of dividends on the Shares in the future is unlikely and will depend on the earnings and financial conditions of the Company and such other factors as the Board may consider appropriate. There are no restrictions on the Company paying dividends or distributions, except those set out in the BCBCA.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information

The following table sets forth financial information for the Company, which has been derived from the Company's audited financial statements for the period from incorporation on May 29, 2018 to March 31, 2019. This summary should be read in conjunction with the Company's financial statements, including the notes thereto, included elsewhere in this Prospectus.

Selected Financial Information	For the period from incorporation to March 31, 2019 (audited)
Operations Data	
Total Revenues	Nil
Total Expenses	\$225,085
Net Income (Loss)	(\$225,085)
Net Income (Loss) per Share – Basic and Fully Diluted	(\$0.04)
Balance Sheet Data	As at March 31, 2019
Current Assets	\$333,041
Non-Current Assets	\$330,040
Total Assets	\$663,081
Current Liabilities	\$88,165
Working Capital	\$244,876
Other Liabilities	Nil
Total Liabilities	\$88,165

Balance Sheet Data	As at March 31, 2019
Share Capital	\$604,001
Reserves	\$196,000
Deficit	(\$225,085)
Total Equity	\$574,916
Number of Shares Issued and Outstanding	16,000,100

Management’s Discussion and Analysis

The following discussion and analysis, prepared by management (the “**MD&A**”), reviews the Company’s financial condition and results of operations for the period from incorporation on May 29, 2018 to March 31, 2019. This discussion provides management’s analysis of the Company’s historical financial and operating results and provides estimates of the Company’s future financial and operating performance based on information that is currently available. This discussion contains forward-looking statements that involve certain risks and uncertainties. See also “*Forward-Looking Statements*” and “*Risk Factors*”.

Overview

This MD&A is dated as of the date of this Prospectus and presents the operations of the Company for the period from incorporation on May 29, 2018 and ended March 31, 2019. The following information should be read in conjunction with the Company’s audited financial statements for the period from incorporation on May 29, 2018 to March 31, 2019, together with the notes thereto, prepared by management in accordance with International Financial Reporting Standards and expressed in Canadian Dollars. This MD&A has been prepared by management and reviewed by the audit committee of the board. For the purposes of preparing this MD&A, management, in conjunction with the Board, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity. All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Company, unless specifically noted.

Cautionary Note Regarding Forward Looking Statements

Certain statements contained in the foregoing MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

Description of Business

The Company was incorporated on May 29, 2018 pursuant to the provisions of the BCBCA. The Company is a minerals exploration company involved in the exploration and development of the Healy Project. At present none of the Company's mineral properties are at commercial development or production stage.

The Company intends to be a public entity upon completion of the Offering, which is subject to regulatory approval.

Selected Annual Information

The following discussion of the Company's financial performance is based on the consolidated financial statements for the period from May 29, 2018 (inception) to March 31, 2019, which were prepared in accordance with IFRS.

	Period from May 29, 2018 (inception) to March 31, 2019
Working capital	\$ 244,876
Total assets	663,081
Total liabilities	88,165
Share capital	604,001
Reserves	196,000
Deficit	(225,085)

Overall Performance

Highlights of the Company's activities for the period ended March 31, 2019:

- On July 31, 2018, the Company entered into the Option Agreement to acquire the Option in respect of the Healy Project and entered into the Services Agreement.
- On July 31, 2018, the Company completed a private placement of 4,000,000 shares issued at \$0.001 per Share for aggregate proceeds of \$4,000. The Company recognized a charge for stock-based compensation of \$196,000 in respect to the fair value of the common shares issued, based on the concurrent execution of the Services Agreement and terms of securities issuable thereunder, of \$0.05 per Share, exclusive of the cash proceeds received.
- In August 2018, the Company completed an initial exploration program on the Healy Project consisting of soil geochemistry, geological mapping and rock sampling with a cost of US\$93,571.
- On September 15, 2018, the Company settled \$150,000 in advances made by the sole shareholders of the Company through the issuance of 3,000,000 units at a price of \$0.05 per unit. Each unit comprised one share and one share purchase warrant exercisable to acquire one

additional common share of the Company until September 15, 2023 at a price of \$0.10 per share.

- On January 25, 2019, the Company issued 2,000,000 units at an aggregate value of \$100,000 to Kenorland pursuant to the Services Agreement to settle \$100,000 in accounts payable e. Each unit comprised one share and one share purchase warrant exercisable to acquire one additional common share of the Company until January 25, 2024 at a price of \$0.10 per share.
- On March 19, 2019, the Company completed a private placement of units issuing 7,000,000 units at a price of \$0.05 per unit and generating aggregate gross proceeds of \$350,000. Each unit comprised one flow through share and one share purchase warrant exercisable to acquire an additional common share of the Company until March 19, 2024 at a price of \$0.05 per share.
- On April 9, 2019, the Company entered into an engagement letter with the Agents in respect of the Offering, where the Company will offer 13,333,333 Shares for cumulative gross proceeds of \$2,000,000. The Agents will receive a cash commission of 7.0% of the gross proceeds, payable at Closing and that number of Agents' Warrants that is equal to 7.0% of the number of Shares sold in the Offering. In addition, the Company will pay to the Agents \$35,000 as a Corporate Finance Fee. The terms of the Offering were subsequently amended by mutual agreement of the parties.

Financial Performance

The statements of financial position as of March 31, 2019 indicated total current assets of \$333,041 which was represented by cash of \$327,993 and receivables of \$5,048.

At March 31, 2019, current liabilities totaled \$88,165 which comprised accounts payable and accrued liabilities and \$10,000 due to two directors as a refund on subscriptions overpaid.

At March 31, 2019, the Company had a working capital of \$244,876. Management's short-term plans are to fund the Company's day-to-day operations through equity or, to a minor extent, debt financing.

Shareholders' equity was comprised of share capital of \$604,001, reserves of \$196,000 and a deficit of \$225,085 for a net equity of \$574,916.

The weighted average number of common shares outstanding for period ended March 31, 2019, was 5,840,491.

The Company is an exploration stage company and engages principally in the acquisition, exploration and development of mineral properties. The Company capitalizes, on a property by property basis, all acquisition and exploration costs until the property to which those costs are related is placed into production, sold, or abandoned. The decision to abandon a property is largely determined based on exploration results and management's judgment as to whether the property may be used in a potential transaction with another exploration or mining company.

None of the Company's properties are in production. Therefore, mineral exploration expenditures are capitalized and losses are incurred as a result of general exploration and administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income is not a meaningful measure of its performance or potential.

The key performance drivers for the Company include securing the best geological expertise it can, and acquiring and developing high potential prospective mineral properties. By hiring highly qualified staff and acquiring and exploring projects of superior technical merit, the Company increases its chances of finding and developing an economic deposit.

At this time, the Company is not anticipating profit from operations. Until such time as the Company is able to realize profits from the production and marketing of commodities from its mineral interests, the Company will report an annual deficit and will rely on its ability to obtain equity/or debt financing to fund on-going operations. For information concerning the business and properties of the Company, please see “*Description of the Business*” and “*Mineral Properties*”.

Additional financing will be required for new exploration and promotional initiatives. Due to the inherent nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its share of obligations relating to mineral properties.

Results of Operations

Net Loss

During the period ended March 31, 2019, the Company reported a net loss of \$225,085 (\$0.04 basic and diluted loss per share). The largest item that contributed to the Company’s net loss during the period ended March 31, 2019 was share-based compensation.

Revenue

During the period from May 29, 2018 (inception) to March 31, 2019, the Company did not earn any revenue.

Operating Expenses

During the period from May 29, 2018 (inception) to March 31, 2019, the Company recorded operating expenses of \$225,085. The largest factor contributing to operating expenses was share based compensation of \$196,000. As the Company’s current operations do not generate revenues, the Company will continue relying on equity and debt financing in order to meet its ongoing day-to-day operating requirements. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time, or, if available, that it can be obtained on terms satisfactory to the Company.

Summary of Quarterly Results

See “*Selected Financial Information*” above. The Company is not a reporting issuer and has not been required to and has not prepared quarterly statements for any period.

Liquidity and Capital Resources

The Company is an exploration stage company and therefore has no regular cash inflows. The Company’s mineral properties are located in Alaska. The investment in these properties, which are categorized as capitalized mineral property costs, together with cash, represent the bulk of the Company’s asset base. Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by

forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements

As at March 31, 2019, the Company had \$327,993 in cash and \$5,048 in accounts receivable, with working capital of \$244,876. The Company's share capital was \$604,001 representing 16,000,100 common shares issued. As at March 31, 2019, the Company had accumulated a deficit of \$225,085 and held reserves of \$196,000.

Contractual Obligations

A summary of the Company's contractual obligations at March 31, 2019, is detailed in the table below.

	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	4 – 5 Years	After 5 Years
Accounts Payable	52,640	52,640	n/a	n/a	n/a
Accrued Liabilities	25,525	25,525	n/a	n/a	n/a
Amounts due to Related Parties	10,000	10,000	n/a	n/a	n/a
Total	\$88,165	\$88,165	n/a	n/a	n/a

Off Balance Sheet Arrangements

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

Related Party Transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Key management includes directors and key officers of the Company.

Transactions with related parties are in the normal course of operations. Except as described in this section or "*Executive Compensation*" below or the sale of securities on a private placement basis to directors and officers, as of the date of this Prospectus, the Company has not entered into any transactions with related parties.

Significant Accounting Policies and Critical Accounting Estimates

All significant accounting policies and critical accounting estimates are fully disclosed in Note 3 of the audited consolidated financial statements for the period from May 29, 2018 (inception) to March 31, 2019.

Financial Instruments

Fair Values

The Company's financial instruments consist of cash, accounts payable and accrued liabilities and due to related parties. The fair values of these financial instruments approximate their carrying values because of their current nature.

The following table summarizes the carrying values of the Company's financial instruments:

	March 31, 2019
Fair value through profit or loss (i)	\$ 327,993
Loans and receivables (ii)	5,048
Other financial liabilities (iii)	88,165

(i) Cash

(ii) Amounts receivable

(iii) Accounts payable and accrued liabilities and amounts due to related parties

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

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

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

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

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

Assets	Level 1	Level 2	Level 3	Total
Cash	\$ 327,993	-	-	\$ 327,993

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity, market and currency risks. The Company may, or may not, establish from time to time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of its operations would warrant such hedging activities.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing at major Canadian financial institutions. The Company has minimal credit risk..

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when they become due. As at March 31, 2019, the Company has sufficient cash to settle its current liabilities. The Company will require additional funding to meet its long-term exploration obligations.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

Currency risk

The Company conducts exploration and evaluation activities in the United States. As such, it is subject to risk due to fluctuations in the exchange rates of the Canadian and US dollars. As at March 31, 2019, the Company does not have any significant monetary assets or liabilities in US dollars, therefore, the Company has determined that there is limited currency risk at this time.

Outstanding Share Data

As of the date of this report, the Company had the following securities issued and outstanding:

Type	Amount	Exercise Price	Expiry Date
Common shares ⁽¹⁾	16,000,000	n/a	Issued and outstanding
Warrants	3,000,000	\$0.10	September 15, 2023
Warrants	2,000,000	\$0.10	January 25, 2024
Warrants	7,000,000	\$0.10	March 19, 2024
	28,000,000		Total shares outstanding (fully diluted)

⁽¹⁾ Authorized: Unlimited common shares without par value.

Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published and are fully disclosed in Note 3 of the audited consolidated financial statements for the period from May 29, 2018 (inception) to March 31, 2019. Management is assessing the impact of these new standards on the Company's accounting policies and financial statement presentation.

Risks and Uncertainties

See "Risk Factors" below.

Contingencies

There are no contingent liabilities.

Additional Disclosure for Venture Issuers without Significant Revenue

The following table sets forth certain financial information for the Company, which has been derived from the Company's financial statements as contained in this Prospectus. This summary should be read in conjunction with the Company's financial statements, including the notes thereto, included elsewhere in this Prospectus.

The following table details the Company’s expenditures for the period from incorporation on May 29, 2018 to March 31, 2019 in respect of the Healy Project, which is the Company’s sole mineral property:

Capitalized Acquisition and Exploration Costs on the Healy Project	Period Ended March 31, 2019
Acquisition Costs	\$Nil
Exploration Costs	\$288,955
Total	\$288,955

It is anticipated that the proceeds to be raised pursuant to the Offering will fund the Company’s operations for a period of 12 months. The estimated total operating costs for the Company to achieve its stated business objectives over this period of time are \$855,310. The estimated total operating costs include exploration program costs of \$486,000 and \$360,000 for general and administrative costs, as well as \$9,310 for maintenance costs associated with the Company’s secondary mineral property. No other funds are projected to be expended on capital expenditures during this time period. See “*Use of Proceeds*”.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized capital of the Company consists of an unlimited number of Shares without par value and an unlimited number of preferred shares without par value. As at the date of this Prospectus there are 16,000,000 Shares issued and outstanding as fully paid and non-assessable shares and no preferred shares issued and outstanding.

Common Shares

There are special rights or restrictions attached to the Shares. The holders of Shares are entitled to receive notice of and to attend and vote at all meetings of shareholders of the Company and each 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 Shares are entitled to receive dividends if, as and when declared by the directors and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Shares, to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Company. The Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

In addition to the Shares issued and outstanding, a further up to 15,400,000 Shares are reserved for issue as follows:

Type of Security	Amount
Agents' Warrant Shares	1,400,000
Shares issuable upon the exercise of previously issued share purchase warrants	12,000,000
Shares issuable upon the exercise of stock options granted to directors, officers, employees and consultants	2,000,000
Total	15,400,000

In the event the Over-Allotment Option is exercised in full a further 210,000 Agents' Warrants would be issued.

See "*Plan of Distribution*" for further details of the Offering

Securities to be Distributed

An aggregate of 20,000,000 Shares are hereby offered at a price of \$0.10 per Share, plus an additional up to 3,000,000 Shares which may be issuable upon the exercise of the Over-Allotment Option. The securities to be distributed pursuant to the Offering and the Over-Allotment Option hereunder are qualified by this Prospectus and are more particularly described under the heading "*Plan of Distribution*".

Warrants

The Company has previously issued share purchase warrants to acquire up to 12,000,000 Shares at an exercise price of \$0.10 per share expiring on dates ranging from September 15, 2023 to March 19, 2024. These share purchase warrants were issued to settlement of debt, pursuant to the Services Agreement or subscribers to equity offerings conducted by the Company.

Agents' Warrants

The Company is authorized to issue to the Agents' Warrants entitling the Agents to acquire that number of Agents' Warrant Shares as is equal to 7.0% of the number of Shares sold pursuant to the Offering, including pursuant to the Over-Allotment Option. Each whole Agents' Warrant entitles the holder thereof to subscribe for one Share at a price of \$0.10 until the date which is 24 months from the Closing Date. The holding of an Agents' Warrant will not constitute the holder thereof a shareholder of the Company, nor will it entitle the holder to any rights or interests as a shareholder or to receive notice of any meetings of shareholders except upon the exercise of an Agents' Warrant in accordance with its terms. The Agents' Warrants will contain provisions to the effect that, in the event of any change in the number of Agents' Warrant Shares or any reclassification of the Shares into other share, or if the Company shall pay a stock dividend upon its outstanding Shares, or in the case of a consolidation, amalgamation or merger of the Company with or into another company, or any other capital reorganization of the Company not covered by the foregoing or any sale of the

properties and assets of the Company as (or substantially as) an entirety to any other company, adjustments will be made in the number of Shares to which the holder will be entitled to receive on any exercise of the Warrants and the exercise price thereof. See “*Plan of Distribution*” for additional information on the Agents’ Warrants.

Options

The Board has approved the grant, on the Listing Date, of 2,000,000 stock options to acquire Shares to directors, officers, employees and consultants of the Company under its Stock Option Plan. The options and the Stock Option Plan are described below at “*Options to Purchase Securities*”.

CONSOLIDATED CAPITALIZATION

The following table sets forth information respecting the capitalization of the Company as at March 31, 2019 and as at the date hereof, both before and after giving effect to the Offering.

Designation of Security	Amount authorized	Amount outstanding as of March 31, 2019 ⁽¹⁾	Amount outstanding as of the date of this Prospectus	Amount outstanding assuming completion of the Offering ⁽⁵⁾
Common Shares	Unlimited	16,000,100	16,000,000	36,000,000
Options ⁽²⁾	10% of the issued and outstanding	Nil	Nil	2,000,000
Warrants	Unlimited	12,000,000 ⁽³⁾	12,000,000 ⁽³⁾	12,000,000 ⁽³⁾
Agents’ Warrants ⁽⁵⁾	Unlimited	Nil	Nil	1,400,000 ⁽⁴⁾

(1) As at March 31, 2019, the Company has no long-term debt.

(2) A total of 2,000,000 Shares have been reserved for issuance pursuant to incentive stock options to be granted to directors, officers and consultants of the Company exercisable at an exercise price of \$0.10 per Share until the date which is five years following the Listing Date.

(3) A total of 12,000,000 Shares are issuable upon exercise of the warrants at an exercise price of \$0.10 per Share until dates ranging from September 15, 2023 to March 19, 2024.

(4) Pursuant to the Agency Agreement, the Company has agreed to grant to the Agents, the Agents’ Warrants on completion of the Offering, at a price of \$0.10 per Share, for a period of 24 months from the Closing Date. See “*Plan of Distribution*” and “*Description of Securities Distributed*”. In the event the Over-Allotment Option is exercised in full, a further 140,000 Agents’ Warrants will be issued.

(5) See “*Use of Proceeds*” for the proceeds after giving effect to the Offering and deducting the expenses of the issue.

As at the date of this Prospectus, the Company has no outstanding loans or other debt obligations

OPTIONS TO PURCHASE SECURITIES

As of the date of this Prospectus, the Board has approved the grant, on the Listing Date, of options to purchase up to 2,000,000 Shares at an exercise price of \$0.10 per Share and expiring on that date

which is five years following the Listing Date. The options will vest over an 18 month period with 25% of the options granted vesting on the Listing Date and every six months thereafter.

The following table sets out details of the Company's stock options to be outstanding as of the Listing Date:

Group (current and former positions)	No. of Shares Under Option	Exercise Price	Expiry Date
Directors (including directors who are also officers) (4)	1,300,000	\$0.10	Five years from the Listing Date
Officers (who are not also directors) (2)	400,000	\$0.10	Five years from the Listing Date
Employees (Nil)	N/A	N/A	N/A
Consultants (3)	300,000	\$0.10	Five years from the Listing Date
Total Options	2,000,000		

All of the options have been granted pursuant to the terms of the Stock Option Plan, approved by the Company's directors. The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating directors, officers, employees and consultants of the Company and of its affiliates and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under the Stock Option Plan to purchase Shares. If, as and when the Shares of the Company are listed on the Exchange, the Stock Option Plan will be subject to the review and approval of the Exchange.

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 Shares of the Company issued and outstanding, from time to time.

The Stock Option Plan will be administered by the Board, 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 as the Board may from time to time designate. The exercise prices shall be determined by the Board but shall, in no event, be less than the "Discounted Market Price" as such term as defined in the Corporate Finance Manual of the Exchange. The Stock Option Plan provides that the number of all Shares reserved for issuance will not exceed 10% of the issued and outstanding Shares, from time to time. The maximum number of Shares reserved for issuance to insiders, within a one-year period, may not exceed 10% of the Shares issued and outstanding as at the date of grant of the stock option and to any individual director or officer, within a one-year period, may not exceed 5% of the Shares issued and outstanding as at the date of grant of the stock option unless disinterested shareholder approval is obtained.

Options may be exercised up to 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death,

subject to the expiry date of such option. Options will expire not later than the date which is ten years from the date of grant. 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. The Board of the Company may, in its absolute discretion impose such limitations or conditions on the exercise or vesting of any options granted under the Stock Option Plan as it deems appropriate.

In the event of a “change in control event”, the Stock Option Plan gives the Board the power to make such arrangements as it shall deem appropriate for the exercise of outstanding options or continuance of outstanding options, including to amend or modify the Stock Option Plan or any stock option agreement to permit the exercise of any or all of the remaining options prior to the completion of any such transaction.

For the purposes of the Stock Option Plan, a “change of control event” constitutes any of the following:

- (a) a person makes an offer to acquire Shares that, regardless of whether the acquisition is completed, would make the person the beneficial owner of twenty percent (20%) or more of the outstanding Shares of the Company (an “Acquiring Person”);
- (b) an Acquiring Person makes an offer, regardless of whether the acquisition is completed, to acquire Shares;
- (c) the Company proposes to sell all or substantially all of its assets and undertaking;
- (d) the Company proposes to merge, amalgamate or be absorbed by or into any other corporation (save and except for a subsidiary) under any circumstances which involve or may involve or require the liquidation of the Company, a distribution of its assets among its shareholders, or the termination of the corporate existence of the Company;
- (e) the Company proposes an arrangement as a result of which a majority of the outstanding Shares of the Company would be acquired by a third party; or
- (f) any other form of transaction is proposed which the majority of the Board determines is reasonably likely to have similar effect any of the foregoing.

PRIOR SALES

Prior Sales

Since the date of incorporation and prior to the date of this Prospectus, 16,000,000 Shares and nil preferred shares of the Company have been issued as follows:

Date	Number and class of securities ⁽²⁾⁽³⁾	Issue price per Common Share	Aggregate Proceeds	Consideration Received
May 29, 2018	1 Share ⁽¹⁾	\$0.01	\$0.01	Cash
May 29, 2018	100 Shares ⁽²⁾	\$0.01	\$1.00	Cash
July 31, 2018	4,000,000 Shares ⁽³⁾⁽⁴⁾	\$0.001	\$4,000.00	Cash

Date	Number and class of securities ⁽²⁾⁽³⁾	Issue price per Common Share	Aggregate Proceeds	Consideration Received
September 15, 2018	3,000,000 units ⁽³⁾⁽⁶⁾	\$0.05	\$150,000.00	Debt Settlement of \$150,000
January 29, 2019	2,000,000 units ⁽³⁾⁽⁶⁾	\$0.05	\$100,000.00	Services rendered
March 19, 2019	7,000,000 units ⁽³⁾⁽⁷⁾	\$0.05	\$350,000.00	Cash

Notes:

- (1) Initial incorporator's share, which has been repurchased by the Company and cancelled.
- (2) These shares have been repurchased by the Company and cancelled on April 9, 2019.
- (3) All of these shares will be subject to the terms of the Escrow Agreement between the Company, the holders of such shares and the Escrow Agent. See "*Escrowed Securities*".
- (4) The Company recognized a charge for stock-based compensation of \$196,000 in respect to the fair value of the common shares issued, based on the concurrent execution of the Services Agreement and terms of securities issuable thereunder, of \$0.05 per Share, exclusive of the cash proceeds received.
- (5) Units comprising one Share and one share purchase warrant entitling the holder to acquire a further Share at a price of \$0.10 per Share until September 15, 2023.
- (6) Units comprising one Share and one share purchase warrant entitling the holder to acquire a further Share at a price of \$0.10 per Share until January 29, 2024.
- (7) Units comprising one Share and one share purchase warrant entitling the holder to acquire a further Share at a price of \$0.10 per Share until March 19, 2024.

Trading Price and Volume

The Shares of the Company are not listed for trading on any stock exchange. The Company has applied to list the Shares on the Exchange. Listing will be subject to the Company fulfilling all of the listing requirements of the Exchange.

ESCROWED SECURITIES

Escrowed Securities

Under NP 46-201, securities held by Principals are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions as set out therein. Equity securities owned or controlled by Principals, including Shares and Shares issued on the exercise of previously issued options or warrants are subject to escrow requirements. In addition, shareholders of the Company have contractually agreed to submit their securities of the Company into escrow in accordance with the terms of NP 46-201.

A total of (i) 16,000,000 Shares representing 100% of the issued and outstanding Shares prior to giving effect to the Offering and (ii) 12,000,000 warrants representing 100% of the outstanding warrants prior to giving effect to the Offering, will be deposited into escrow pursuant to the Escrow Agreement.

Following the Closing Date, the Company will be classified as an "emerging issuer" under NP 46-201. An "emerging issuer" is one that does not meet the "established issuer" criteria (which includes issuers listed on the Toronto Stock Exchange in its non-exempt category and issuers that meeting Tier 1 listing requirements of the Exchange). Based on the Company being "emerging issuer", the Escrowed Securities will be subject to a three-year escrow.

If the Company achieves “established issuer” status during the term of the Escrow Agreement, it will ‘graduate’ resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18-month schedule applicable to established issuers as if the Company had originally been classified as an established issuer.

Pursuant to the Escrow Agreement dated as of May 13, 2019 among the Company, the Escrow Agent, the Principals of the Company, as required pursuant to the policies of the Exchange and the remaining securityholders of the Company as contractually agreed, (collectively with the Principals, the “**Escrow Holders**”), the Escrow Holders agreed to deposit in escrow their Shares and warrants (the “**Escrowed Securities**”) with the Escrow Agent. Under the Escrow Agreement, 10% of the Escrowed Securities will be released from escrow on the Listing Date (the “**Initial Release**”) and an additional 15% will be released on the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow agreement unless the transfers or dealings within escrow are:

- (1) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with approval of the Company’s Board;
- (2) transfers to a person or company that before the proposed transfer holds more than 20% of the Company’s outstanding Shares, or to a person or company that after the proposed transfer will hold more than 10% of the Company’s outstanding Shares and has the right to elect or appoint one or more directors or senior officers of the Company or any material operating subsidiary;
- (3) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor’s spouse, children or parents;
- (4) transfers upon bankruptcy to the trustee in bankruptcy or another person or company entitled to escrow securities on bankruptcy; and
- (5) pledges to a financial institution as collateral for a *bona fide* loan, provided that upon a realization the securities remain subject to escrow.

Tenders of Escrowed Securities to a take-over bid or business combination are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid or business combination, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation’s escrow classification.

The following table sets out, as at the date of this Prospectus, the number of securities of the Company which are held in escrow:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class prior to giving effect to the Offering	Percentage of class after giving effect to the Offering
Common Shares	16,000,000	100%	44.44%
Warrants	12,000,000	100%	89.55%

The table below sets out, as of the date of this Prospectus, the number of securities of the Company held by Principals which are held in escrow:

Name and Municipality of Residence	Number of Escrowed Securities ⁽¹⁾	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Offering ⁽²⁾
Zachary Flood, Vancouver, B.C.	1,000,000 Shares and 1,000,000 warrants	6.25%	2.78%
JB Levy Corp., Toronto, ON ⁽³⁾	400,000 Shares and 400,000 warrants	2.50%	1.11%
Rick Trotman, Vancouver, B.C.	400,000 Shares and 400,000 warrants	2.50%	1.11%
J. Sujir Law Corporation ⁽⁴⁾	200,000 Shares and 200,000 warrants	1.25%	0.56%
Jessica Van Den Akker, Vancouver, B.C.	200,000 Shares and 200,000 warrants	1.25%	0.56%
1013142 B.C. Ltd., Surrey B.C. ⁽⁵⁾	100,000 Shares and 100,000 warrants	0.63%	0.28%
Kenorland Minerals Ltd., Vancouver, B.C.	6,000,000 Shares and 2,000,000 warrants	37.50%	16.67%
Total	8,300,000 Shares and 4,300,000 warrants	51.88%	23.07%

(1) Securities subject to the Escrow Agreement will be released pro rata to the holders as to 10% on the Listing Date and as to the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months.

(2) Assumes the Over-Allotment Option is not exercised.

(3) The beneficial owner of JB Levy Corp. is Jamie Levy.

(4) The beneficial owner of J. Sujir Law Corporation is Jay Sujir.

(5) The beneficial owner of 1013142 B.C. Ltd. is Enoch Kong.

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

The complete text of the Escrow Agreement is available for inspection at the offices of the Company’s legal counsel at Suite 2080-777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, during normal business hours during the period of primary distribution of the securities being distributed under this Prospectus and for a period of 30 days thereafter.

Shares Subject to Resale Restrictions

Canadian securities legislation generally provides that shares issued by a company during its private stage, commonly referred to as “seed shares”, may not be resold until the expiration of certain hold periods. The legislation which imposes and governs these hold periods is National Instrument 45-102 (“**NI 45-102**”). Pursuant to NI 45-102, securities of an issuer issued prior to an initial public offering are either subject to a “seasoning period” lasting four months from the date an issuer becomes a reporting issuer, or both a seasoning period and a “restricted period” of four months from the date of distribution of the securities. During either a seasoning period or a restricted period, securities may not be resold except pursuant to an exemption from applicable prospectus and registration requirements. Where an issuer becomes a reporting issuer in certain Canadian jurisdictions (including British Columbia and Alberta) by filing a prospectus in that jurisdiction, however, the 4-month seasoning period is eliminated. Thus, only securities which are subject to a four-month restricted period will be subject to resale restrictions under NI 45-102 after an initial public offering.

Following the issuance of a receipt for a final prospectus of the Company, none of the Company’s Shares would be subject to a four-month restricted period under NI 45-102. Currently, all of the issued and outstanding securities of the Company are subject to both the “seasoning period”, as described above, and a “restricted period” of four months from the date of their respective issuance.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and senior officers of the Company, as of the date of this Prospectus the only persons who beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued Common Shares of the Company are as follows:

Name and Municipality of Residence of Shareholder	Number of Common Shares Presently Owned ⁽¹⁾	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Offering ⁽²⁾
Zachary Flood, Vancouver, B.C. ⁽³⁾	1,000,000 Shares	6.25%	2.78%

Name and Municipality of Residence of Shareholder	Number of Common Shares Presently Owned ⁽¹⁾	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Offering ⁽²⁾
Paul and Eleanor Stephens, San Francisco, California, USA ⁽⁴⁾	1,000,000 Shares	6.25%	2.78%
Kenorland Minerals Ltd., Vancouver, B.C. ⁽⁵⁾⁽⁶⁾	6,000,000 Shares	37.50%	16.67%
	10,000,000 Shares	62.50%	22.23%

Notes:

- (1) These securities are subject to escrow trading restrictions pursuant to the policies of the Exchange. See “Escrowed Securities”.
- (2) Assumes the Over-Allotment Option is not exercised.
- (3) On a partially-diluted basis, assuming the exercise of all warrants issued or options to be granted to him, Mr. Flood would hold 11.76% of the issued and outstanding Shares, prior to the completion of the Offering and 6.91% of the issued and outstanding Shares, assuming completion of the Offering.
- (4) On a partially-diluted basis, assuming the exercise of all warrants issued to them, Mr. and Mrs. Stephens would hold 11.76% of the issued and outstanding Shares, prior to the completion of the Offering and 5.41% of the issued and outstanding Shares, assuming completion of the Offering.
- (5) On a partially-diluted basis, assuming the exercise of all warrants held by Kenorland., it would hold 44.44% of the issued and outstanding Shares, prior to the completion of the Offering and 21.05% of the issued and outstanding Shares, assuming completion of the Offering.
- (6) Haywood and Kenorland are related issuers pursuant to NI 33-105 by virtue of the fact that employees of Haywood collectively are influential shareholders of Kenorland. In addition as a result of the connection between Haywood and Kenorland, and Kenorland, together with other employees of Haywood, being “influential shareholders” of the Company, Haywood and the Company are related issuers pursuant to NI 33-105. See “Relationship between the Company and the Agents”

DIRECTORS AND OFFICERS

Name, Address, Occupation and Security Holdings

The following is a list of the current directors and officers of the Company, their municipality and province or state of residence, their current positions with the Company, their principal occupations during the past five years and the number of Shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised. The statements as to securities beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and officers hereinafter named in each instance is based upon information furnished by the person concerned and is as at the date of this Prospectus.

Name and Municipality of Residence and Position	Principal Occupation for Past Five Years	Date of Appointment to Office	Common Shares Held ⁽²⁾	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Offering ⁽³⁾⁽⁴⁾
Zachary Flood, Vancouver, B.C., President, CEO and Director	President of Kenorland Minerals Ltd. (a private exploration consulting company) from May 2016 to Present, Business Development Geologist of Kaizen Discovery Inc. from January 2015 to May 2016, Business Development Geologist for Concordia Resource Corp. from January 2012 to January 2015	May 29, 2018 as director, February 9, 2019 as President and CEO	1,000,000	6.25%	2.78%
Jaime Levy, Toronto, ON, Director ⁽¹⁾	President, CEO and director of Generation Mining Ltd. from February 2018 to Present; President, CEO and director of Pine Point Mining Ltd. from February 2013 to February 2018, VP Treasury of Pinetree Capital Ltd. from September 2007 to April 2018	February 8, 2019	400,000 ⁽⁵⁾	2.50%	1.11%
Rick Trotman, Vancouver B.C., Director	President and CEO of Barksdale Capital Corp. since December 2017, Associate with Resource Capital Funds (a mining focused private equity firm) from July 2012 to November 2017	February 8, 2019	400,000	2.50%	1.11%
Jay Sujir, Vancouver, B.C., Director ⁽¹⁾	Partner at Farris, Vaughan, Wills & Murphy LLP from May 2015 to Present, Partner at Anfield Sujir Kennedy & Durno LLP from August 1986 to May 2015	April 9, 2019	200,000 ⁽⁶⁾	1.25%	0.56%

Name and Municipality of Residence and Position	Principal Occupation for Past Five Years	Date of Appointment to Office	Common Shares Held ⁽²⁾	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Offering ⁽³⁾⁽⁴⁾
Jessica Van Den Akker, Vancouver, B.C., Director ⁽¹⁾	CFO and Vice President of Corporate Finance at Fiore Management & Advisory Corp. (a private financial advisory firm) from January 2017 to Present; Fund Accountant at Sentient Asset Management Australia Pty Ltd. from April 2016 to December 2016, VP Finance at Ferrometals Management Services Canada Ltd. (a private mining solutions firm) from September 2014 to March 2016; Principal at Davidson & Company Chartered Accountants LLP from September 2005 to August 2014	April 9, 2019	200,000	1.25%	0.56%
Enoch Kong, Surrey, B.C., CFO and Corporate Secretary	Senior Manager at Michael Waldkirch & Company Inc. (a private accounting and advisory firm) from February 2011 to Present	April 9, 2019	100,000 ⁽⁷⁾	0.63%	0.28%
Luke Van Der Meer, Delta, B.C., VP Exploration	Senior Geologist at High Power Exploration Inc, (a private exploration company) from November 2017 to April 2019, Project Geologist at Geopacific Consultants Ltd. (a private geotechnical engineering firm) from August 2015 to November 2017; Principal Geologist at VDM Geological Consulting (a sole proprietorship providing geological services) from May 2008 to August 2015	May 22, 2019	Nil	N/A	N/A

- (1) Members of the Audit Committee.
- (2) All of these Shares are subject to escrow restrictions. See “*Escrowed Securities*”.
- (3) Assuming completion of the Offering and no exercise of the Agents’ Warrants, warrants or the incentive stock options granted to the directors, officers, employees and consultants. See “*Plan of Distribution*” and “*Options to Purchase Securities*.”
- (4) As of the date of this Prospectus, the directors and officers of the Company, as a group, beneficially own, directly or indirectly, 14.38% of the issued and outstanding Shares of the Company. Following completion of the Offering, the directors and officers of the Company, as a group, will beneficially own, directly or indirectly, 6.39% of the then issued and outstanding Shares of the Company.
- (5) These shares are held indirectly through JB Levy Corp., a private company of which Mr. Levy is the beneficial owner.
- (6) These shares are held indirectly through J. Sujir Law Corporation, a private law corporation of which Mr. Sujir is the beneficial owner.
- (7) These shares are held indirectly through 1013142 B.C. Ltd, a private company of which Mr. Kong is the beneficial owner.

The term of office of the directors expires annually at the time of the Company’s annual general meeting. The term of the office of the officers expires at the discretion of the Company’s directors.

None of the directors of the Company have entered into non-competition or non-disclosure agreements with the Company.

Management of Junior Issuers

The following is a brief description of the background of the key management, directors and the promoters of the Company.

Zachary Flood, (Age: 33) is the President, Chief Executive Officer and a Director of the Company. He has served the Company as a Director of the Company since its incorporation and as its President and Chief Executive Officer since February 8, 2019. As Chief Executive Officer, Mr. Flood is responsible for the day to day operations, acquisitions and business development of the Company. Mr. Flood will devote approximately 50% of his working time to the affairs of the Company. Mr. Flood is a consultant of the Company. He is the President, co-founder and a director of Kenorland, with whom the Company has entered into the Services Agreement.

Mr. Flood is an exploration geologist. Most recently, Mr. Flood served as business development geologist for Kaizen Discovery Inc. and worked within the Ivanhoe Group . Mr. Flood holds a Bachelor of Science in Earth and Ocean Sciences from the University of Victoria.

Jamie Levy, (Age: 48) is a director of the Company. He has served the Company since February 8, 2019. Mr. Levy will devote approximately 10% of his working time to the affairs of the Company. Mr. Levy is not an employee of the Company and will provide his services as a director as an independent contractor.

Mr. Levy is currently the President and CEO of Generation Mining Limited and was the President and CEO of Pine Point Mining Ltd., which was acquired by Osisko Metals Inc. Mr. Levy has held various positions in Canadian listed companies and financial institutions, including as a Vice-President of Pinetree Capital Ltd. Mr. Levy holds a B.A. (Economic) from Concordia University.

Rick Trotman, (Age: 37) is a director of the Company. He has served the Company since February 8, 2019. Mr. Trotman will devote approximately 10% of his working time to the affairs of the Company. Mr. Trotman is not an employee of the Company and will provide his services as a director as an independent contractor.

Mr. Trotman is a professional geologist. Mr. Trotman was previously with Resource Capital Funds, a leading mining-focused private equity firm, where he was involved in executing a broad range of investments spanning the precious, base and minor metal spaces and was also responsible for establishing and managing the firm's portfolio of exploration investments. Mr. Trotman holds a Master of Science in Economic Geology from the University of Nevada, Reno and a Bachelor of Science in Geology from Washington State University.

Jay Sujir, (Age: 61) is a director of the Company. He has served the Company since April 9, 2019. Mr. Sujir will devote approximately 10% of his working time to the affairs of the Company. Mr. Sujir is not an employee of the Company and will provide his services as a director as an independent contractor.

Mr. Sujir is a lawyer and Partner in Farris, Vaughan, Wills & Murphy LLP's Mining and Securities groups. Mr. Sujir has served as, and is currently a Director of several junior exploration and mining companies. Mr. Sujir holds his LLB and a B.A (Economic and Philosophy) from the University of Victoria.

Jessica Van Den Akker, (Age: 37) is a director of the Company. She has served the Company since April 9, 2019. Ms. Van Den Akker will devote approximately 10% of her working time to the affairs of the Company. Ms. Van Den Akker is not an employee of the Company and will provide her services as a director as an independent contractor.

Ms. Van Den Akker is a Chartered Professional Accountant (CA) with over 15 years' experience in the resource sector. Ms. Van Den Akker worked for a Canadian audit firm providing reporting and accounting assurance services to publicly traded companies. Ms. Van Den Akker is a graduate of Simon Fraser University where she received a Bachelor of Business Administration.

Enoch Kong, (Age: 35) is the Chief Financial Officer and Corporate Secretary of the Company. He has served the Company as CFO and Corporate Secretary since April 9, 2019. As Chief Financial Officer, Mr. Kong is responsible for coordination of the financial operations of the Company and for coordinating with the Company's legal counsel, corporate filings and regulatory matters. Mr. Kong will devote approximately 20% of his working time to the affairs of the Company. Mr. Kong is a consultant of the Company.

Mr. Kong is a Chartered Professional Accountant (CGA, CA) and has been working on financial reporting for public companies over eight years. Mr. Kong is a graduate of Simon Fraser University where he received a Bachelor of Business Administration.

Luke Van Der Meer, (Age: 40) is the Vice President of Exploration of the Company. He has served the Company as Vice President of Exploration since May 22, 2019. As Vice President of Exploration, Mr. Van Der Meer will be responsible for the development of the Company's exploration programs and coordinating with Kenorland to carry out such programs on the Healy Project. Mr. Van Der Meer will devote approximately 20% of his working time to the affairs of the Company. Mr. Van Der Meer is a consultant of the Company.

Mr. Van Der Meer is an exploration geologist with experience in project management. Mr. Van Der Meer is a graduate of the University of Otago, New Zealand, and is a professional geologist (P. Geo) and Qualified Person.

Other Reporting Issuer Experience

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

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange	Position	Period
Jamie Levy	Generation Mining Limited	CSE	President, CEO and Director	February 2018 to Present
	Golden Tag Resources Ltd.	TSXV	Director	July 2012 to Present
	Pine Point Mining Ltd.	TSXV	President and Director	January 2013 to February 2018
	Montero Mining & Exploration Ltd.	TSXV	Director	May 2018 to Present
Rick Trotman	Barksdale Capital Corp.	TSXV	President and CEO	November 2017 to Present
Jay Sujir	AMI Resources Inc.	TSXV	Director	August 2002 to December 2012
	Callinan Royalties Corporation	TSXV	Director	December 2014 to May 2015
	Cannon Point Resources Ltd.	TSXV	Director	January 2005 to October 2015
	Carlin Gold Corporation	TSXV	Director	July 2012 to Present
	Collingwood Resources Corp.	TSXV	Director	July 2014 to Present
	Excelsior Mining Corp.	TSX	Director	April 2010 to June 2018
	Canada Jetlines Ltd. (formerly Jet Metal Corp.)	TSXV	Director	February 2003 to February 2015
	Karnalyte Resources Inc.	TSXV	Director	September 2014 to May 2015
	Kootenay Zinc Corp.	CSE	Director	September 2016 to October 2017
	Kutcho Copper Corp.	TSXV	Director	December 2017 to Present
	Leagold Mining Corporation	TSX	Director	July 2016 to April 2017
	Libero Copper Corporation	TSXV	Director	June 2008 to Present

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange	Position	Period
	Red Eagle Exploration Ltd.	TSXV	Director	November 2015 to April 2017
	Red Eagle Mining Corporation	TSXV	Director	January 2010 to November 2018
	Rio Silver Inc.	TSXV	Director	April 2005 to June 2014
	Roughrider Exploration Ltd.	TSXV	Director	December 2011 to Present
	Sunward Resources Ltd.	TSX	Director	September 2010 to June 2015
			Chairman	April 2011 to June 2015
	Vanadian Energy Corp.	TSXV	Director	November 2003 to Present
NEMI Northern Energy & Mining Inc.	CSE	Director	April 2012 to August 2016	
Jessica Van Den Akker	Fiore Exploration Ltd. (a predecessor issuer of Fiore Gold Ltd.)	TSXV	CFO	January 2017 to September 2017
	HIVE Blockchain Technologies Ltd.	TSXV	CFO	August 2017 to October 2018
	Sandspring Resources Ltd.	TSXV	CFO	January 2017 to Present
	Vanadian Energy Corp.	TSXV	CFO	January 2017 to Present
	Klondike Gold Corp.	TSXV	CFO	January 2017 to Present
	Rusoro Mining Corp.	TSXV	CFO	January 2017 to Present
	Kore Mining Ltd.	TSXV	CFO	February 2019 to Present
	Cruzsor Energy Corp. (formerly PMI Resources Corp.)	TSXV	CFO	January 2017 to April 2017
Luke Van Der Meer	Golden Ridge Resources Ltd. (formerly 88 Capital Corp.)	TSXV	Director	June 2015 to February 2016

Aggregate Ownership of Securities

Prior to this Offering, the directors and officers of the Company, as a group, beneficially own, directly or indirectly, 2,300,000 Shares representing 14.38% of the issued and outstanding Shares of the Company. Following completion of the Offering, the directors and officers of the Company, as a group, will beneficially own, directly or indirectly, 6.39% of the then issued and outstanding Shares of the Company. Mr. Flood is the President and a director of Kenorland and the holder of 13.6% of its outstanding shares. Kenorland holds 6,000,000 Shares representing 37.5% of the issued and outstanding Shares of the Company. Following completion of the Offering, Kenorland will hold 20.45% of the then issued and outstanding Shares of the Company.

Corporate Cease Trade Orders or Bankruptcies

Except as described below, no director, officer, Insider or Promoter of the Company has, within the last 10 years, been a director, officer, Insider or Promoter of any reporting issuer that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemption for a period of more than 30 consecutive days or was declared a bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or been subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Mr. Sujir was a director of Norwood Resources Ltd. from May 2008 until January 2011. In the final quarter in 2010, the board of directors determined that Norwood had become insolvent and believed the company was not financeable and that the interests of the stakeholders were best protected by an assignment into bankruptcy. Norwood declared bankruptcy on January 19, 2011 and Mr. Sujir resigned as a director on the same day. Subsequent thereto, cease trade orders were issued by the British Columbia Securities Commission on May 10, 2011 for the failure to file audited annual financial statements and MD&A for the financial year ended December 31, 2010 and by the Alberta Securities Commission on September 21, 2011 for the failure to file audited annual financial statements, MD&A and certifications of annual filings for the financial year ended December 31, 2010 and the failure to file interim financial statements, MD&A and certification of interim filings for the interim periods ended March 31, 2011 and June 30, 2011.

Mr. Sujir was also on the board of directors of Red Eagle Mining Corp. which owned and operated the Santa Rosa mine in Colombia. Due to start up issues, Red Eagle had difficulty servicing its project debt and the mine was only able to commence commercial production on the basis of forbearances from the secured lenders. In August 2018, Red Eagle obtained a firm commitment from a third party to refinance the debt with concessions and co-operation from the secured lenders, but in October 2018, the third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle. In addition, Red Eagle is subject to a cease trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file interim financial statements, MD&A and certification of interim filings for the period ended September 30, 2018.

Penalties and Sanctions

No director, officer, Insider or Promoter of the Company, or any shareholder holding sufficient securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory

authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer, Insider or Promoter of the Company, or any shareholder holding sufficient 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 preceding 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 their assets.

Conflicts of Interest

There are potential conflicts of interest to which some or all of the directors, officers, Insiders and Promoters of the Company will be subject to in connection with the operations of the Company. The directors and officers of the Company will not be devoting all of their time to the affairs of the Company. Some of the directors and officers of the Company are directors and officers of other companies. See “*Other Reporting Issuer Experience*”. Accordingly, situations may arise where some or all of the directors, officers, Insiders or Promoters of the Company will be in direct competition with the Company.

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. To the best of the Company’s knowledge, other than is disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors, officers or other members of management of the Company as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers, in accordance with the BCBCA are required to disclose all such conflicts and are expected to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

EXECUTIVE COMPENSATION

Director and Named Executive Officer Compensation

The following table (presented in accordance with Form 51-102F6V, as prescribed by NI 51-102), is a summary of compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company's two most recently completed financial years. As the Company was incorporated in May 2018, the disclosure below is for the period from incorporation on May 29, 2018 to March 31, 2019. For the purpose of this Prospectus, as of March 31, 2019, the Company had one "Named Executive Officer", namely Zachary Flood, CEO.

Table of compensation excluding compensation securities							
Name and position ⁽³⁾	Period from incorporation to March 31, 2019	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Zachary Flood, Director and Chief Executive Officer	2019	Nil	Nil	Nil	Nil	Nil	Nil
Jamie Levy, Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
Rick Trotman, Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
Jay Sujir, Director ⁽¹⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
Jessica Van Den Akker, Director ⁽¹⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
Enoch Kong, Chief Financial Officer and Corporate Secretary ⁽¹⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
Luke Van Der Meer, Vice President Exploration ⁽¹⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Subsequent to March 31, 2019, Jay Sujir and Jessica Van Den Akker were appointed as directors of the Company and Mr. Enoch Kong was appointed as Chief Financial Officer and Corporate Secretary of the Company and Mr. Luke Van Der Meer was appointed as the Vice President of Exploration of the Company. Neither Mr. Sujir nor Ms. Van Den Akker has received any compensation to date in serving as a director nor has Mr. Kong nor Mr. Van Der Meer received compensation in serving as an officer, but they will be granted Options in their capacity as directors and officers.

Except as described below, the Company does not anticipate paying any compensation to its directors and officers during the 12 months following completion of the Listing Date other than the grant of Options or reimbursement of reasonable expenses incurred on behalf of the Company.

Pursuant to a consulting agreement between Mr. Flood and the Company dated May 1, 2019, the Company will pay to Zachary Flood, the CEO of the Company, annual compensation of \$50,000 payable in monthly installments of \$4,166.67 on the first of each month.

Pursuant to a consulting agreement between 1013142 B.C. Ltd. (a company owned and controlled by Enoch Kong) and the Company dated May 1, 2019, the Company will pay to 1013142 B.C. Ltd., annual compensation of \$12,000 payable in monthly installments of \$1,000 on the first of each month for Enoch Kong's services as the CFO and Corporate Secretary of the Company..

Pursuant to a consulting agreement between Mr. Van Der Meer and the Company dated May 17, 2019, the Company will pay to Luke Van Der Meer, the Vice President of Exploration, a daily rate of US\$500, on an as needed basis for his services to the Company.

External Management Companies.

Except as described below, none of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

As noted above, Mr. Enoch Long provides his services as the CFO and Corporate Secretary of the Company through 1013142 B.C. Ltd.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any NEO or director by the Company or its subsidiaries for the period from incorporation on May 29, 2018 to March 31, 2019 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

There were no compensation securities outstanding as at period ended March 31, 2019.

No other compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified during the period from incorporation on May 29, 2018 to March 31, 2019.

There are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

No compensation securities were exercised by a director or NEO during the period from incorporation on May 29, 2018 to March 31, 2019.

Subsequent to the period ended March 31, 2019, the board of directors of the Company determined to approve the grant of 2,000,000 stock options on the Listing Date to directors, officers and consultants as further described at "*Options to Purchase Securities*" above.

Stock Option Plans and Other Incentive Plans

As the Company is recently incorporated, the Stock Option Plan was adopted by its then sole shareholder at the time of incorporation. The Company will submit the Stock Option Plan for ratification by its shareholders at its first annual general meeting of shareholders anticipated to be held on or around September 2019.

The purpose of the Stock Option Plan is to attract and motivate directors, officers and employees of and consultants to the Company and its subsidiaries and thereby advance the Company's interests by affording such persons with an opportunity to acquire an equity interest in the Company through the stock options. The principal terms of the Stock Option Plan are described above at "*Options to Purchase Securities*".

The Stock Option Plan does not require shareholder approval until such time as the Company seeks to materially amend the Stock Option Plan, including the number of options available under it.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities to be granted or issued to each NEO or director by the Company or its subsidiaries as at the Listing Date, for services provided, directly or indirectly to the Company or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of Issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$) ⁽¹⁾	Closing price of security or underlying security at year ended March 31, 2019 (\$) ⁽²⁾	Expiry date
Zachary Flood, President, CEO and Director	Options	600,000/30.00%	Listing Date	\$0.10	\$0.10	N/A	Five years following the Listing Date
Jamie Levy, Director	Options	175,000/8.75%	Listing Date	\$0.10	\$0.10	N/A	Five years following the Listing Date
Rick Trotman, Director	Options	175,000/8.75%	Listing Date	\$0.10	\$0.10	N/A	Five years following the Listing Date
Jay Sujir, Director	Options	175,000/8.75%	Listing Date	\$0.10	\$0.10	N/A	Five years following the Listing Date
Jessica Van Den Akker, Director	Options	175,000/8.75%	Listing Date	\$0.10	\$0.10	N/A	Five years following the Listing Date
Enoch Kong, CFO and Corporate Secretary	Options	150,000/7.50%	Listing Date	\$0.10	\$0.10	N/A	Five years following the Listing Date
Luke Van Der Meer	Options	250,000/12.50%	Listing Date	\$0.10	\$0.10	N/A	Five years following the Listing Date

(1) Based upon the Offering Price.

(2) As of March 31, 2019, and as at the date of this Prospectus, the Shares are not listed for trading on any stock exchange.

The following table discloses the total amount of compensation securities to be held by the NEOs and directors as at the Listing Date. The Options to be granted as at the Listing Date will vest immediately.

Name and Position	Number and type of Compensation Securities
Zachary Flood, President, CEO and Director	600,000 Options
Jamie Levy, Director	175,000 Options

Name and Position	Number and type of Compensation Securities
Rick Trotman, Director	175,000 Options
Jay Sujir, Director	175,000 Options
Jessica Van Den Akker, Director	175,000 Options
Enoch Kong, CFO and Corporate Secretary	150,000 Options
Luke Van Der Meer, VP Exploration	250,000 Options

There are no restrictions or conditions currently in place for converting, exercising or exchanging the Options, provided that the Board has determined that the Options shall vest over an 18 month period such that 25% of the Options granted will vest on the Listing Date and every six months thereafter.

Employment, Consulting and Management Agreements

The Company does not have, nor does it anticipate entering into in the 12 months following the Listing Date, any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, 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 an NEO's responsibilities.

Oversight and Description of Director and Named Executive Officer Compensation

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill, qualifications, experience level, level of responsibility involved in their position, the existing stage of development of the Company, the Company's resources, industry practice and regulatory guidelines regarding executive compensation levels.

The Board has implemented three levels of compensation to align the interests of the executive officers with those of the Shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers long term incentives in the form of stock options. Finally, the Board may award cash or share bonuses for exceptional performance that results in a significant increase in shareholder value. The Company does not provide pension or other benefits to the executive officers. The Company does not have pre-existing performance criteria or objectives. All significant elements of compensation awarded to, earned by, paid or payable to NEOs are determined by the Company on a subjective basis. The Company has not used any peer group to determine compensation for its directors and NEO.

The Board has the responsibility to administer compensation policies related to executive management of the Company, including option-based awards. The Board has approved the Stock Option Plan pursuant to which the Board has granted stock options to executive officers. The Stock Option Plan provides compensation to participants and an additional incentive to work toward long-term company performance. The Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer and

the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange, and closely align the interests of the executive officers with the interests of shareholders.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

Pension Disclosure

The Company does not have any pension or retirement plan which is applicable to the NEOs or directors. The Company has not provided compensation, monetary or otherwise, to any person who now or previously has acted as a NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, and the Company has provided no compensation to any such person as a result of a change of control of the Company.

Securities Authorized for Issuance under Equity Compensation Plans at March 31, 2019

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price or outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a))
Equity compensation plans approved by securityholders	Nil	N/A	1,600,010
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	Nil	N/A	1,600,010

Management Contracts

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company or any associate or affiliate of them was indebted to the Company as at the date of this Prospectus.

AUDIT COMMITTEE

The Company's audit committee (in this section, the "Audit Committee") has various responsibilities as set forth in NI 52-110. The Audit Committee over sees the accounting and financial reporting practices and procedures of the Company and the audits of the Company's financial statements. The principal responsibilities of the Audit Committee include: (i) overseeing the quality, integrity and appropriateness of the internal controls and accounting procedures of the Company, including reviewing the Company's procedures for internal control with the Company's auditors and chief financial officer; (ii) reviewing and assessing the quality and integrity of the Company's internal and external reporting processes, its annual and quarterly financial statements and related management discussion and analysis, and all other material continuous disclosure

documents; (iii) establishing separate reviews with management and external auditors of significant changes in procedures or financial and accounting practices, difficulties encountered during auditing, and significant judgments made in management's preparation of financial statements; (iv) monitoring compliance with legal and regulatory requirements related to financial reporting; (v) reviewing and pre-approving the engagement of the auditor of the Company and independent audit fees; and (vi) assessing the Company's accounting policies, and considering, approving, and monitoring significant changes in accounting principles and practices recommended by management and the auditor.

Audit Committee Charter

The full text of the charter of the Company's Audit Committee is set in Appendix "A" attached hereto.

Composition of the Audit Committee

As noted above, the members of the Audit Committee are Jessica Van Den Akker, Jay Sujir and Jamie Levy, all of whom are considered independent pursuant to NI 52-110. All members of the Audit Committee are considered to be financially literate.

A member of the audit committee is *independent* if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

A member of the audit committee is considered *financially literate* if he or she has 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.

Relevant Education and Experience

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and

an understanding of internal controls and procedures for financial reporting, are as follows:

Jessica Van Den Akker: Ms. Van Den Akker is a Chartered Professional Accountant (CA) with experience in the resource sector and worked in a Canadian audit firm providing reporting and

accounting assurance services to publicly traded companies, primarily in natural resources. Ms. Van Den Akker currently services as CFO of a number of public companies listed on the Exchange. Ms. Van Den Akker is a graduate of Simon Fraser University where she received a Bachelor of Business Administration

Jay Sujir: Mr. Sujir is a lawyer and Partner in Farris, Vaughan, Wills & Murphy LLP's Mining and Securities groups. He has experience acting for mining and other natural resource companies. Mr. Sujir has served as, and is currently a Director of several junior exploration and mining companies and has experience as an audit committee member of several of these companies. Mr. Sujir holds his LLB and a B.A (Economic and Philosophy) from the University of Victoria.

Jamie Levy: Mr. Levy has experience in public markets and the mining industry. Mr. Levy has held various positions in Canadian listed companies and financial institutions and has served on the audit committee of several companies, including as a Vice-President of Pinetree Capital Ltd. Mr. Levy holds a B.A. (Economic) from Concordia University.

Each of Mr. Sujir and Mr. Levy have experience in dealing with financial statements, accounting issues, internal controls and other matters relating to public companies as well as experience serving on the audit committee of a public company. Ms. Van Den Akker has not served on an audit committee of a public company previously but is a Chartered Professional Accountant and Chief Financial Officer of several public entities.

Audit Committee Oversight

At no time since incorporation has the Audit Committee made any recommendations to the Board to nominate or compensate any external auditor

Reliance of Certain Exemptions in NI 52-110 regarding De Minimis Non-audit Services or on a Regulatory Order Generally

At no time since incorporation has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services) (which exempts all non-audit services provided by the Company's auditor from the requirement to be preapproved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies on Certain Exemptions

Except as described in the audit committee charter reproduced above, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Services Fees

The Audit Committee has pre-approved the nature and amount of the services provided by Davidson & Company LLP, Chartered Accountants, to the Company to ensure auditor independence. Fees incurred for audit services since incorporation are outlined below:

Nature of Services	Fees Paid to Auditor in the period from incorporation on May 29, 2018 to March 31, 2019
Audit Fees ⁽¹⁾⁽⁵⁾	Nil
Audit Related Fees ⁽²⁾	Nil
Tax Fees ⁽³⁾	Nil
All other Fees ⁽⁴⁾	Nil
Total	Nil

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" includes all other non-audit services".
- (5) Audit fees in the amount of \$nil have been accrued as at March 31, 2019.

Exemption in Section 6.1 of NI 52-110

The Company is a "venture issuer" as defined in NI 52-110 and relies on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

CORPORATE GOVERNANCE

General

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore such guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

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

Composition of the Board

The Board facilitates its exercise of independent supervision over management by ensuring that the Board is composed of a majority of independent directors. Directors are considered to be

independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. The Board has five directors, four of which are considered to be independent. Mr. Levy, Trotman, Sujir and Ms. Van Den Akker are considered to be independent directors for the purposes of NI 58-101 and Mr. Flood is not considered to be independent due to his relationship to the Company as a senior officer.

The Board of the Company facilitates its exercise of supervision over Company's management through frequent meetings of the Board.

Mandate of the Board

The Board has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company’s business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company’s internal control and management information systems.

The Board sets long term goals and objectives for the Company and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board delegates the responsibility for managing the day-to-day affairs of the Company to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business. The Board is responsible for protecting shareholders’ interests and ensuring that the incentives of the shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in the Company’s business including financial risks, through periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of the Company is authorized to act without board approval, on all ordinary course matters relating to the Company’s business.

The Board also monitors the Company’s compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board is responsible for selecting the President and appointing senior management and for monitoring their performance.

Directorship

The following is a list of each director of the Company who is also a director of other reporting issuers (or equivalent) in a Canadian or foreign jurisdiction as of the date of this Prospectus:

<u>Name of director</u>	<u>Other reporting issuer</u>
Zachary Flood	N/A
Jamie Levy	Generation Mining Limited Golden Tag Resources Ltd. Montero Mining & Exploration Ltd.
Rick Trotman	Barksdale Capital Corp.
Jay Sujir	Carlin Gold Corporation Collingwood Resources Corp. Libero Copper Corporation Roughrider Exploration Ltd. Vanadian Energy Corp.
Jessica Van Den Akker	N/A

Position Descriptions

The Board has not developed written position descriptions for the chair or the chair of any board committees or for the CEO. Given the size of the Company's infrastructure and the existence of only a small number of officers, the Board does not feel that it is necessary at this time to formalize position descriptions in order to delineate their respective responsibilities.

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business and industry and on the responsibilities of directors. New directors also receive historical public information about the Company and the mandates of the committees of the Board. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, new directors are encouraged to visit and meet with management on a regular basis and to pursue continuing education opportunities where appropriate.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

Under applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interest of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction is a director or officer (or

an individual acting in a similar capacity) of a party to the contract or voting on the contract or transaction, unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid, and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

Nomination of Directors

The Board will consider its size each year when it considers the number of directors to recommend to the shareholders of the Company for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Board is, among other things, responsible for determining all forms of compensation to be granted to the Chief Executive Officer of the Company and other senior management and executive officers of the Company, for evaluating the Chief Executive Officer's performance in light of the corporate goals and objectives set for him/her, for reviewing the adequacy and form of the compensation and benefits of the directors in their capacity as directors of the Company to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director. The directors decide as a Board the compensation for the Company's officers, based on industry standards and the Company's financial situation.

Other Board Committees

The Board has no committees other than the Audit Committee as described above under the heading "*Audit Committee*".

Assessments

The Board regularly assesses its own effectiveness and the effectiveness and contribution of each Board committee member and Director.

PLAN OF DISTRIBUTION

The Offering

The Offering consists of a 20,000,000 Shares of the Company at a price of \$0.10 per Shares for gross proceeds of \$2,000,000.

In addition, the Agents have been granted the Over-Allotment Option exercisable, in whole or in part, at any time on or before the date which is 30 days following the Closing Date, to sell up to an additional 15% of the Shares sold pursuant to the Offering at the Offering Price.

The Over-Allotment Option is exercisable by the Agents giving notice in writing to the Company prior to the expiry of the Over-Allotment Option, which notice shall specify the number of Shares to be sold. This Prospectus qualifies the grant of the Over-Allotment Option and the issuance of the Shares issuable upon exercise of the Over-Allotment Option.

Appointment of the Agents

Pursuant to the Agency Agreement, the Company appointed the Agents as its exclusive co-lead agents for the purposes of the Offering, and the Corporation, through the Agents, hereby offers for sale to the public under this Prospectus on a commercially reasonable efforts basis, the Shares at a price of \$0.10 per Share in the provinces of British Columbia, Alberta and Ontario. This Prospectus qualifies the distribution of the Shares to the purchasers in the Offering Jurisdictions. The Agents reserve the right, at no additional cost to the Company, to offer selling group participation in the normal course of the brokerage business to selling groups or other licensed dealers and investment dealers, who may or may not be offered part of the Agents' Commission or Agents' Warrants derived from the Offering. The Agents are not obligated to purchase Shares in connection with the Offering. The obligations of the Agents under this Offering may be terminated at any time in the Agents' discretion on the basis of its assessment of the state of the financial markets and may also be terminated upon the occurrence of certain other stated events.

The funds received from the Offering will be held by the Agents and will not be released until the Closing. The total subscription must be raised within 90 days of the date a receipt for the final Prospectus is issued, or such other time as may be consented to by persons or companies who subscribed within that period, failing which the Agents will remit the funds collected back to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agents, unless an amendment to the final Prospectus is filed and the Securities Commissions have issued a receipt for the amendment. If an amendment to the Prospectus is filed and the Securities Commissions have issued a receipt for the amendment, the distribution must cease within 90 days from the date of the receipt for the amendment to the Prospectus and in any event not later than 180 days from the receipt for the final Prospectus.

Subscriptions will be received for Shares offered hereby subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time. Upon rejection of a subscription, or in the event the Offering does not complete within the time required, the subscription price and the subscription will be returned to the subscriber forthwith without interest or deduction. Completion of the Offering is subject to the sale of the full number of Shares comprising the Offering

At the closing, the Shares distributed under this Prospectus will be available for delivery in book-entry form or the non-certificated inventory system of CDS or, its nominee, and will be deposited

with CDS on the closing of the Offering. Purchasers of Shares will receive only a customer confirmation from the Agents as to the number of Shares subscribed for. Certificates representing the Shares in registered and definitive form will be issued in certain limited circumstances.

Other than the offering expenses disclosed elsewhere in this Prospectus and payments to be made to the Agents as disclosed in this section, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder, or any other person or company in connection with the Offering.

The directors, officers and other insiders of the Company may purchase Shares from the Offering.

The Agency Agreement provides that, upon the occurrence of certain events or at the discretion of the Agents on the basis of their assessment of the state of financial markets, the Agents may terminate the Offering and the obligations of purchasers to purchase the Shares will then cease.

The Company is a related issuer (as such terms are defined in National Instrument 33-105) to Haywood. The Company and Haywood are related issuers by virtue of the fact that employees of Haywood collectively are influential shareholders of the Company and of a controlling shareholder of the Company, being Kenorland Minerals Ltd. Please see *“Relationship between the Company and the Agents”*.

The Company has agreed, subject to certain exceptions, not to directly or indirectly, offer, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of or agree to or announce any intention to do so, any Shares or any securities convertible into or exchangeable for, or otherwise exercisable to acquire Shares for a period of 90 days after the Closing Date, without the prior written consent of the Agents, such consent not to be unreasonably withheld or delayed, except in conjunction with: (i) the exercise of the Over-Allotment Option; (ii) the grant or exercise of stock options and other similar issuances pursuant to the Stock Option Plan and other share compensation arrangements currently in place; (iii) the issue of Shares upon the exercise of convertible securities, warrants or options outstanding prior the Closing Date, (iv) previously scheduled property and/or other corporate acquisitions, and (v) a non-brokered private placement of common shares of the Company at \$0.15 per Share for gross proceeds of up to \$500,000.

As a condition of closing of the Offering, each of the senior officers and directors of the Company will enter into agreements in favour of the Agents pursuant to which each will agree not to, directly or indirectly, sell, or announce any intention to sell, any Shares or other securities convertible into, exchangeable for, or otherwise exercisable to acquire Shares for a period of 90 days after the Closing Date, without the prior written consent of the Agents, such consent not to be unreasonably withheld.

Agents' Compensation

Under the terms of the Agency Agreement, the Company has agreed to pay the Agents' Commission of 7.0% of the aggregate gross proceeds of the Offering, payable in cash. The Agents will also be paid a Corporate Finance Fee of \$35,000 plus GST. The Company has also agreed to reimburse the Agents for their reasonable expenses (which shall include reasonable fees, not exceeding \$30,000, and disbursements and taxes of the Agents' counsel) of which the Company has advanced \$15,000 as a retainer.

The Company has also agreed to grant in aggregate to the Agents the Agents' Warrants on completion of the Offering entitling the Agents to purchase that number of Shares equal to 7.0% of

the number of Shares sold pursuant to this Offering exercisable at a price of \$0.10 per Share for a period of 24 months from the Closing Date.

This Prospectus qualifies the distribution of the Agents' Warrant to the Agents.

Listing Application

The Company has applied to list the securities distributed under this prospectus on the Exchange. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange.

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, a U.S. marketplace or a marketplace outside of 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.

Determination of Price

The price of the Shares and the commission payable to the Agents was established through negotiation between the Company and the Agents.

Distributions in the United States

The securities offered under this Prospectus have not been and will not be registered under the U.S. Securities Act or the securities laws of any state. Such securities may not be offered or sold or otherwise transferred or disposed of within the United States or to, or for the account or benefit of, any "U.S. Person" (as such term is defined in Regulation S under the U.S. Securities Act) without registration unless an exemption from registration is available.

RISK FACTORS

The securities offered hereunder must be considered highly speculative due to the nature of the Company's business. Prospective investors should carefully consider the information presented in this Prospectus before purchasing the Units offered under this Prospectus, and in particular should give special consideration to the risk factors below and in the section entitled "*Forward-Looking Statements*" above.

The risk and uncertainties below are not the only risks and uncertainties facing the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations and future prospects of the Company and cause the price of the Shares to decline. If any of the following risks actually occur, the business of the Company may be harmed and its financial condition and results of operations may suffer insignificantly. As a result of these factors, this Offering is only suitable to investors who are willing to rely solely on management of the Company and who can afford to lose their entire investment. Those investors who are not prepared to do so should not invest in the Units. In addition to the risks described elsewhere and the other information in this Prospectus, prospective investors should carefully consider each of, and the cumulative effect of all of, the following risk factors:

Risk Related to the Offering

Discretion in the Use of Proceeds

The Company intends to use the net proceeds from the Offering as set forth under “*Use of Proceeds*”; however, the Company maintains broad discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditure. The Company may re-allocate the net proceeds of the Offering other than as described under the heading “*Use of Proceeds*” if management of the Company believes it would be in the Company’s best interest to do so and in ways that a purchaser may not consider desirable. Until utilized, the net proceeds of the Offering will be held in cash balances in the Company’s bank account or invested at the discretion of the Board of Directors. As a result, a purchaser will be relying on the judgment of management of the Company for the application of the net proceeds of the Offering. The results and the effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Company’s results of operations may suffer, which could adversely affect the price of the Shares.

Additional Financing

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

No Current Market for Shares

The Company has applied to list the Shares on the Exchange. However, there is currently no market through which the Shares may be sold. The purchasers may not be able to resell the 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.

Volatility of Stock Markets

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Shares to sell their securities at an advantageous price. Market price fluctuations in the Shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Shares.

Financial markets have historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Shares may be materially adversely affected.

Before this Offering, there had been no public market for the Company's Shares. An active public market for the Shares might not develop or be sustained after the Offering. The Offering Price of the Shares has been determined by negotiation between the Company and the Agents, and this price will not necessarily reflect the prevailing market price of the Shares following this Offering. If an active public market for the Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public offering price.

Risk Factors Related to Dilution

The Company may issue additional securities in the future, which may dilute a shareholder's holdings in the Company. The Company's articles permit the issuance of an unlimited number of Shares. The Company's shareholders do not have pre-emptive rights in connection with any future issuances of securities by the Company. The directors of the Company have discretion to determine the price and the terms of further issuances. Moreover, additional Shares will be issued by the Company on the exercise of options under the Stock Option Plan and upon the exercise of outstanding warrants.

The following table sets out the immediate dilution to purchasers of Shares under this Prospectus assuming completion of the Offering.

Dilution	Expressed in Dollars per Share	Expressed as a Percentage of Subscription Price
Offering	\$0.0277	27.7%

Dilution has been computed on the basis of total gross proceeds to be raised by this Prospectus and from the sale of securities prior to filing this Prospectus, without deduction of commissions or

related expenses by the Company and does not assume the exercise of any stock options or the Agents' Warrants.

It is likely that the Company will enter into more agreements to issue Shares and warrants and options to purchase Shares. The impact of the issuance of a significant amount of Shares from these warrant and option exercises could place downward pressure on the market price of the Shares.

Ability of Company to Continue as a Going Concern

The Company is in the exploration stage and is currently seeking additional capital to develop its exploration properties. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity and debt, will be sought to finance the operations of the Company; however, there can be no certainty that such funds will be available at terms acceptable to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Negative Cash Flow from Operations

During the period ended March 31, 2019, the Company had negative cash flows from operating activities and expects to continue to have negative cash flows and the net proceeds from the Offering will be used to fund such negative cash flow from operating activities. The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations.

Dividends

The Company does not anticipate paying any dividends on the Shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Any decision to declare and pay dividends in the future will be made at the discretion of the Company's board of directors and will depend on, among other things, financial results, cash requirements, contractual restrictions and other factors that the Company's board of directors may deem relevant. As a result, investors may not receive any return on an investment in the Units unless they sell their shares of the Company for a price greater than that which such investors paid for them.

Risks Related to the Business of the Company

Mineral exploration is speculative and uncertain and involves a high degree of risk

The exploration for, and development of, mineral deposits involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Resource exploration and development is a speculative business, characterized by a number of significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, although present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the

Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

All of the properties in which the Company has an interest are without any mineral reserves. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on a property without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

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

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

Possible Lost of Interest in and Substantive Dependence on the Healy Project

The Option Agreement pursuant to which the Company acquired its interest in the Healy Project requires the Company to expend certain minimum amounts on the exploration of the Healy Project. If the Company fails to make such expenditures within the prescribed time periods, the Company may lose its interest in the Healy Project without any recourse.

The Company will be an exploration stage company and as such does not anticipate receiving revenue from its mineral properties for some time. The Company will be initially focused on the exploration and development of the Healy Project, which does not have any identified mineral resources or reserves. The Company has acquired a secondary property via staking, but any adverse developments affecting the Healy Project could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's

mineral exploration and development programs at the Healy Project will result in the definition of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered that Healy Project will be brought into commercial production. Failure to do so will have a material adverse impact on the Company's operations and potential future profitability. The discovery of bodies of commercial mineralization is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most of the above factors are beyond the Company's control.

Title to Mineral Properties

While the Company has performed its own due diligence with respect to the validity of the mineral claims comprising the Healy Project, this should not be construed as a guarantee of title. There is no assurance that applicable governmental bodies will not revoke or significantly alter the conditions of the applicable claims that are included in the Healy Project or that such claims will not be challenged or impugned by third parties.

The Healy Project may be subject to prior unregistered agreements of transfer or indigenous 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 the Healy Project and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Healy Project or the size of the area to which such claims and interests pertain.

Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

At-Risk Claims

The Healy Project consists of 198 State of Alaska mining claims and 30 State Selected claims currently designated as Native Selected. The 30 State Selected Healy claims have been deemed "At-risk" because they are currently within Doyon Ltd. Selected Land and topfiled for future State-Selection by the State of Alaska under Section 906(e) of the Alaska National Interest Lands Conservation Act (ANILCA). The active Doyon selection prevents the State's topfiling from attaching as a bona fide State-Selection. Therefore, The 30 State Selected claims are "At-Risk" of not being conveyed to the State of Alaska. There is a material risk to the Company that the State Selected Claims will not be conveyed and will cease to form part of the Healy Project, regardless of the expenditures on those claims which may be completed by the Company.

Infrastructure

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

Limited Exploration Season

The Healy Project is located in the northern interior of Alaska and its area is largely covered by alpine tundra and sub-Arctic taiga forest. The area of the Healy Project experiences long winters with sub-freezing temperatures. As a result the exploration season for the Healy Project in any calendar year is limited and the Company may not be able to complete its proposed exploration programs on the Healy Project within the timeframes desired or expected, which may impact its ability to exercise the Option within the Option Period or result in the termination of the Option Agreement by Newmont. Additionally, progress towards the advancement of the Healy Project, if merited, may be slow.

The development of mines in this part of Alaska also requires additional engineering and costs related to climate, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Mineral Resources and Reserves

There is no NI 43-101 compliant mineral resource or mineral reserve on the Healy Project. There can be no assurances that an NI 43-101 compliant resource or reserve will ever be estimated on the Healy Project

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

Fluctuating Price of Metals

Future production, if any, from the Company's mineral properties will be dependent upon the prices of gold and other precious metals being adequate to make these properties economic. Materially adverse fluctuations in the price of such minerals and metals may adversely affect the Company's financial performance and results of operations. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the control of the Issuer, including levels of supply and demand, industrial development levels, inflation and the level of interest rates, the strength of the U.S. dollar and geopolitical events in significant mineral producing countries. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in the value of the commodity held, and/or revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from streams, royalties or interests in mineral properties applicable to the relevant commodities. There is no assurance that, even if commercial quantities of cobalt are produced, a profitable market will exist for them.

Competitive Risks

The mineral resource industry is competitive in all of its phases. The Company competes with other companies, some of which have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. The Company competes with other exploration and mining companies for the acquisition of leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. There can be no assurance that the Company can compete effectively with these companies.

Government and Regulatory Risks

The Company's subject to various laws governing exploration, taxes, labour standards and occupational health, safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could limit or curtail the Company's activities.

Amendments to current laws, regulations and permits governing activities of exploration and mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenses or require abandonment or delays in activities.

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

Environmental Risks

All phases of the Company's operations with respect to the Healy Project will be subject to environmental regulation in the United States. Changes in environmental regulation, if any, may adversely impact the Company's operations and future potential profitability. In addition, environmental hazards may exist on the Healy Project which are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

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

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

License and Permits

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Healy Project. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

Uninsured risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions and floods. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Limited Operating History and Lack of Profits

The Company is an early-stage exploration company with a limited operating history. The likelihood of success of the Company's business plan must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with

developing and expanding early-stage businesses and the regulatory and competitive environment in which the Company operates.

The Company has no history of earnings and has not commenced commercial production on any of its properties. The Company has experienced losses from operations and expects to continue to incur losses for the foreseeable future. There can be no assurance that the Company will be profitable in the future. The Company's operating expenses and capital expenditures are likely to increase in future years as needed consultants, personnel and equipment associated with advancing exploration, and, if permitted, development and, potentially, commercial production of its properties, are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties, government regulatory processes and other factors, many of which are beyond the Company's control. The Company expects to continue to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability.

Reliance on Personnel

If the Company is not successful in attracting and retaining highly qualified personnel, the Company may not be able to successfully implement its business strategy.

The Company will dependent on a number of key management personnel, including the services of certain key employees. The Company's ability to manage its exploration, appraisal and potential development and mining activities will depend in large part on the ability to retain current personnel and attract and retain new personnel, including management, technical and a skilled workforce. The loss of the services of one or more key management personnel could have a material adverse effect on the Company's ability to manage and expand the business

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including resources companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA. To the proposed management of the Company's knowledge, as at the date hereof there are no existing or potential material conflicts of interest between the Company and a proposed director or officer of the Company except as otherwise disclosed herein.

PROMOTERS

Except as disclosed below, the Company has no promoters other than its directors and officers. See "*Directors and Officers*" for information concerning the number of Shares held by the directors and officers and their experience. No assets have been acquired or are to be acquired by the

Company from the directors and officers. Other than as described in this Prospectus, no promoter of the Company has received or will receive anything of value, including money, property, contracts, options or rights of any kind from the Company in respect of acting as a promoter of the Company. Please see “*Executive Compensation*” for additional information concerning compensation paid to directors and to Named Executive Officers.

Kenorland and Mr. Zachary Flood are considered to be Promoters within the meaning of the *Securities Act* (British Columbia) for their roles in substantially founding and organizing the Company. The Company has not acquired any assets from or entered into contractual relations with Mr. Flood, except for settlement of advancements made to the Company for units or in relation to reimbursement of expenses. The Company has entered into the Services Agreement with Kenorland and issued securities to Kenorland thereunder and pursuant to subscription agreement for shares issued for cash.

Kenorland acquired 4,000,000 Shares pursuant to a subscription agreement, at a price of \$0.001 per Share for aggregate consideration of \$4,000.00. Kenorland also received 2,000,000 units at a price of \$0.05 per unit, as well as \$15,517.20 paid in cash pursuant to the Services Agreement for invoiced exploration services provided to the Company by Kenorland in relation to the Healy Project. The 6,000,000 Shares in aggregate held by Kenorland, prior to the exercise of any warrants held by Kenorland, represent 37.50% of the issued and outstanding Shares as of the date of this Prospectus. Kenorland holds warrants to acquire a further 2,000,000 Shares of the Company. Mr. Flood is the President and a director of Kenorland and holds common shares of Kenorland representing 13.6% of its issued and outstanding shares. Additionally, Kenorland and Haywood are ‘related issuers’ for the purposes of NI 33-105, as employees of Haywood hold, collectively, common shares of Kenorland representing 43.33% of its issued and outstanding shares. “*See Relationship Between the Company and the Agents*” below.

Mr. Flood has acquired 1,000,000 units pursuant to the settlement of advances of \$50,000 made to the Company, at a price of \$0.05 per unit. The 1,000,000 Shares held by Mr. Flood, prior to the exercise of any warrants or options held by Mr. Flood, represent 6.25% of the issued and outstanding Shares as at the date of this Prospectus. Mr. Flood will also be granted options to acquire 600,000 Shares of the Company pursuant to the Stock Option Plan and has been issued warrants to acquire a further 1,000,000 Shares of the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings that the Company is or was a party to, or to its knowledge that any of its property interests is or was the subject of, and no such legal proceedings are known by the Company to be contemplated.

Regulatory Actions

There are no penalties or sanctions imposed against the Company by a court or a regulatory authority and the Company has not entered into any settlement agreements before a court or with a securities regulatory authority.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors and officers hold Shares, warrants and will be granted options to purchase Shares. See “*Directors, Officers and Promoters*”, “*Options to Purchase Securities*” and “*Executive Compensation*”.

Save and except as described below or for their interest in the subscription for treasury shares and warrants or settlement of advances made to the Company in consideration of treasury shares and warrants, and as disclosed in “*Executive Compensation*”, the directors, officers and principal shareholders of the Company, or any associate or affiliate of the foregoing, have had no material interest, direct or indirect, in any transactions in which the Company has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will material affect the Company.

The Company entered into the Services Agreement with Kenorland on July 31, 2018. Zachary Flood, who is the President and CEO of Kenorland has been the President and a director of the Company since its inception. Mr. Flood is a not a controlling shareholder of Kenorland but hold approximately 14% of its outstanding shares. Mr. Flood disclosed his interest in Kenorland to the board of directors of the Company and abstained from voting in respect of the approval of the Services Agreement. See “*Description of the Business – Three Year History*”.

Certain officers and directors of the Company are also officers and directors of other exploration companies. See “*Risk Factors – Conflicts of Interest*”

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENTS

In connection with the Offering, the Company and Haywood are “related issuers” under National Instrument 33-105 – Underwriting Conflicts (“**NI 33-105**”). The Company and Haywood are related issuers by virtue of the fact that employees of Haywood collectively are influential shareholders of the Company and of a controlling shareholder of the Company, being Kenorland Minerals Ltd.

Employees of Haywood hold 1,300,000 Shares of the issued and outstanding Shares of the Company, representing 9.38% of the issued and outstanding Shares, and warrants to acquire a further 1,300,000 Shares of the Company, which on a partially diluted basis would represent 15.03% of the then outstanding Shares, prior to the completion of the Offering. Following completion of the Offering, Shares held by employees of Haywood will represent 3.61% of the then issued and outstanding Shares, and on a partially diluted basis, assuming the exercise of all warrants held by them, would represent 7.10% of the then outstanding Shares.

In addition, employees of Haywood hold 40.3% of the outstanding common shares of Kenorland, which holds an aggregate of 6,000,000 Shares of the Company, representing 37.5% of the issued and outstanding Shares, and warrants to acquire a further 2,000,000 Shares of the Company, which on a partially diluted basis would represent 44.44% of the then outstanding Shares, prior to the completion of the Offering. Following completion of the Offering, Shares held by Kenorland will represent 16.67% of the then issued and outstanding Shares, and on a partially diluted basis, assuming the exercise of all warrants held by it, would represent 21.05% of the then outstanding Shares.

Including the pro rata ownership of employees of Haywood in Kenorland, the holdings of employees of Haywood in aggregate would be 3,718,800 Shares of the Company, representing

23.24% of the issued and outstanding Shares, and warrants to acquire a further 2,106,000 Shares, which on a partially diluted basis would represent 32.17% of the then outstanding Shares, prior to the completion of the Offering. Following completion of the Offering, such holdings would represent 10.33% of the then outstanding Shares, and on a partially diluted basis assuming exercise of the warrants noted above, would represent 15.29% of the then outstanding Shares.

Haywood is the co-lead agent, together with Echelon Wealth Partners Inc., in respect of the Offering. Haywood is also the sole bookrunner for the Offering. Echelon Wealth Partners Inc. is not a related or connected issuer to the Company within the meaning of NI 33-105. The Company and the Agents, collectively, determined the terms of the Offering having regard for current market conditions and the needs of the Company. Pursuant to the terms of the Agency Agreement, the Agents will receive the Agents' Commission, the Corporate Finance Fee and the Agents' Warrants, with the Agents' Commission and the Corporate Finance Fee being payable from the gross proceeds of the Offering. The Agents' Commission, Corporate Finance Fee and Agents' Warrants will be shared by the Agents, 60% as to Haywood and 40% as to Echelon Wealth Partners Inc., provided however that the Agents may determine to share such compensation with other syndicate members in their sole discretion.

AUDITOR, REGISTRAR AND TRANSFER AGENT

The auditor of the Company is Davidson and Company LLP, Chartered Accountants, Suite 1200-609 Granville Street, Vancouver British Columbia V7Y 1G6. The registrar and transfer agent of the Shares of the Company is Computershare Investor Services Inc., 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

MATERIAL CONTRACTS

The following are the material contracts of the Company or its affiliates entered into since its incorporation:

- (a) Option Agreement dated July 31, 2018, as amended May 10, 2019 between the Company and Newmont. See "*Description of the Business – Three Year History*".
- (b) Assignment and Assumption Agreement dated May 10, 2019 between the Company and the Northway Subsidiary. See "*Description of the Business – Three Year History*".
- (c) Services Agreement dated July 31, 2018 between the Company and Kenorland. See "*Description of the Business – Three Year History*".
- (d) Escrow Agreement dated May 13, 2019 among the Company, the Escrow Agent and certain shareholders of the Company. See "*Escrowed Securities*".
- (e) Agency Agreement dated [REDACTED] among the Company and the Agents. See "*Plan of Distribution*".

The material contracts described above as available on SEDAR under the Company's profile and may also be inspected at the offices of Armstrong Simpson, Suite 2080, 777 Hornby Street, Vancouver, British Columbia during normal business hours during the period of the primary distribution of the Shares being distributed under this Prospectus and for a period of thirty days thereafter.

EXPERTS

Experts

The following persons or companies whose profession or business gives authority to a statement made by the person or company are named in the Prospectus as having prepared or certified a part of that document, report, statement or opinion described in the Prospectus:

- (1) The information in this Prospectus under the headings “*Summary of Prospectus – Eligibility for Investment*” and “*Eligibility for Investment*” has been included in reliance of the opinion of S. Paul Simpson Law Corporation, counsel to the Company;
- (2) The audited financial statements of the Company included with this Prospectus have been subject to audit by Davidson and Company LLP, and their audit report is included therein; and
- (3) The information in this Prospectus at “*Mineral Properties*” has been derived from the Healy Report, the author of which is Curtis J. Freeman, B.A., M.S., P.Geog of Avalon Development Corp.

Based on information provided by the relevant persons in paragraphs 1, 2 and 3 above, none of such persons or companies have received or will receive direct or indirect interests in the assets of the Company or have any beneficial ownership, direct or indirect, of securities of the Company.

Davidson and Company LLP, the Company’s auditors, report that they are independent of the Company in accordance with the Professional Rules of Conduct of the Chartered Professional Accountants of British Columbia.

OTHER MATERIAL FACTS

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

PURCHASER’S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of British Columbia, Alberta and Ontario 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, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, or revisions of the price or damages, are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. A 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.

LIST OF EXEMPTIONS

The Company has not applied for or received any exemption from National Instrument 41-101, "*General Prospectus Requirements*", regarding this Prospectus or the distribution of its securities under this Prospectus.

LEGAL MATTERS

Certain legal matters in connection with this Offering will be passed upon by S. Paul Simpson Law Corporation, on behalf of the Company, and by Getz Prince Wells LLP, on behalf of the Agents. As at the date hereof, the partners and associates of S. Paul Simpson Law Corporation, as a group, and the partners and associates of Getz Prince Wells LLP, as a group, each beneficially own, directly or indirectly, less than one percent of the outstanding Shares of the Company.

FINANCIAL STATEMENTS

Attached to and forming a part of this Prospectus are the audited financial statements of the Company for the period from incorporation on May 29, 2018 to March 31, 2019.

SIGNIFICANT ACQUISITIONS

The Company has not completed any significant acquisitions since incorporation.

NORTHWAY RESOURCES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019

(EXPRESSED IN CANADIAN DOLLARS)

NORTHWAY RESOURCES CORP.

For the period ended March 31, 2019
(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Directors of
Northway Resources Corp.

Opinion

We have audited the accompanying consolidated financial statements of Northway Resources Corp. (the "Company"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the period from inception on May 29, 2018 to March 31, 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2019, and its financial performance and its cash flows for the period from inception on May 29, 2018 to March 31, 2019 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

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

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

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

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

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

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

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

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

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

Vancouver, Canada

Chartered Professional Accountants

Date

NORTHWAY RESOURCES CORP.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	March 31, 2019
	\$
ASSETS	
Current assets	
Cash	327,993
Receivables	5,048
	333,041
Exploration and evaluation assets (Notes 4 & 7)	330,040
	663,081
 LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities	
Accounts payable and accrued liabilities (Notes 5 & 7)	78,165
Due to related parties (Note 7)	10,000
	88,165
Shareholders' equity	
Share capital (Note 6)	604,001
Reserves (Note 6)	196,000
Deficit	(225,085)
	574,916
	663,081

Nature of Operations (Note 1)
Subsequent Events (Note 12)

Approved and authorized by the Board on June __, 2019.

On behalf of the Board of Directors:

"Jay Sujir"

Director

"Jessica Van Den Akker"

Director

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

NORTHWAY RESOURCES CORP.
CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	For the period from inception on May 29, 2018 to March 31, 2019
	\$
EXPENSES	
Foreign exchange loss	103
Office and general	469
Professional fees	28,513
Share-based compensation (Notes 6 & 7)	196,000
	<hr/>
Loss and comprehensive loss for the period	(225,085)
	<hr/>
Basic and diluted loss per share	\$ (0.04)
	<hr/>
Weighted average number of common shares outstanding	5,840,491
	<hr/>

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

NORTHWAY RESOURCES CORP.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital		Reserves	Deficit	Total
	Number	Amount			
		\$	\$	\$	\$
Balance, May 29, 2018	-	-	-	-	-
Issuance of incorporation shares	101	1	-	-	1
Repurchase and cancellation of incorporation share	(1)	-	-	-	-
Shares issued in private placement	11,000,000	354,000	-	-	354,000
Shares issued for debt settlements	5,000,000	250,000	-	-	250,000
Share-based compensation	-	-	196,000	-	196,000
Loss for the period	-	-	-	(225,085)	(225,085)
Balance, March 31, 2019	16,000,100	604,001	196,000	(225,085)	574,916

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

NORTHWAY RESOURCES CORP.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)

	For the period from inception on May 29, 2018 to March 31, 2019
	\$
<hr/>	
Cash flows used in operating activities	
Loss for the period	(225,085)
Item not affecting cash:	
Share-based compensation	196,000
Changes in non-cash operating working capital:	
Receivables	(5,048)
Accounts payable and accrued liabilities	28,492
	<hr/> (5,641) <hr/>
Cash flows used in investing activities	
Exploration and evaluation assets expenditures	(180,367)
	<hr/>
Cash flows from financing activities	
Proceeds from share issuances	354,001
Advances from related parties	185,000
Repayment of advances from related parties	(25,000)
	<hr/> 514,001 <hr/>
Net change in cash	327,993
Cash, beginning of the period	-
	<hr/>
Cash, end of the period	327,993
	<hr/>
Non-cash transactions	
Shares issued for debt settlements on advances from related parties (Note 7)	150,000
Shares issued for settlement of accounts payable relating to exploration and evaluation assets (Note 7)	100,000
Exploration and evaluation assets in accounts payable and accrued liabilities	49,673

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

NORTHWAY RESOURCES CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019
(Expressed in Canadian Dollars)

NOTE 1 - NATURE OF OPERATIONS

Nature of operations

Northway Resources Corp. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on May 29, 2018. The Company is principally engaged in the acquisition and exploration of mineral properties. The Company is in the process of completing an Initial Public Offering (“IPO”) and listing on the TSX Venture Exchange (“TSX-V”) (Note 12).

The head office of the Company is located at 310 – 119 West Pender Street, Vancouver B.C., V6B 1S5 and the registered and records office of the Company is located at 2080 – 777 Hornby Street, Vancouver B.C., V6Z 1S4.

The Company has not yet determined whether its exploration and evaluation assets contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

Going concern

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has not generated revenues from its operations to date. As at March 31, 2019, the Company has accumulated net losses of \$225,085 since inception and has working capital of \$244,876. The operations of the Company have primarily been funded by the issuance of common shares. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Management estimates its current working capital will be sufficient to fund its current level of activities for the next twelve months.

If the going concern assumption was not appropriate for these consolidated financial statements, then adjustments may be necessary to the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

NORTHWAY RESOURCES CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019
(Expressed in Canadian Dollars)

NOTE 2 - BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements of the Company were approved and authorized for issue by the Board of Directors on June __, 2019.

Basis of presentation

These consolidated financial statements have been prepared under the historical cost basis and the accrual basis of accounting, except for cash flow information.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Northway Resources Alaska Corporation from its incorporation on February 20, 2019. All significant intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

Use of estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from management’s best estimates as additional information becomes available.

Significant areas requiring the use of management estimates and judgments include:

- (i) The determination of the fair value of the shares of the Company for the calculation of the share-based compensation.
- (ii) The assessment of the Company’s ability to continue as a going concern involves judgment regarding future funding available to identify new business opportunities and working capital requirements, the outcome of which is uncertain.
- (iii) The determination that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

NORTHWAY RESOURCES CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019
(Expressed in Canadian Dollars)

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

Foreign currency translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidiary 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 Canadian dollars are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while nonmonetary 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 profit or loss.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs directly related to the acquisition and exploration of exploration and evaluation assets are capitalized once the legal rights to explore the exploration and evaluation assets are acquired or obtained. When the technical and commercial viability of a mineral resource has been demonstrated and a development decision has been made, the capitalized costs of the related property are first tested for impairment, then transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Exploration and evaluation assets are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of tangible long-lived assets in the period when the liability arises. The net present value of future rehabilitation costs is capitalized to the long-lived asset to which it relates with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax risk-free rate that reflects the time value of money are used to calculate the net present value.

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 increase in the provision due to the passage of time is recognized as interest expense. The Company has no known restoration, rehabilitation or environmental costs related to its mineral properties.

Impairment of tangible and intangible assets

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 and value in use. Fair value 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 value in use, 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 flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

NORTHWAY RESOURCES CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019
(Expressed in Canadian Dollars)

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of tangible and intangible assets (continued)

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.

Share-based compensation

Share-based compensation to employees is measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based compensation to non-employees is measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. The fair value of options is determined using the Black-Scholes option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Income taxes

Income taxes are calculated whereby temporary differences arising from the difference between the tax basis of an asset or liability and its carrying amount in the consolidated financial statements are used to calculate deferred income tax liabilities or assets. Deferred income tax liabilities or assets are calculated using the substantively enacted tax rates anticipated to apply in the periods that the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. Contingently returnable shares are not considered outstanding common shares and consequently are not included in earnings (loss) per share calculations.

Share capital

Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced and any residual value is allocated to warrants reserve. Consideration received for the exercise of warrants is recorded in share capital and the related residual value is transferred to share capital. The residual values of expired options and warrants are transferred to deficit or share capital, respectively.

NORTHWAY RESOURCES CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets

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

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Receivables are measured at amortized cost with subsequent impairments recognized in profit or loss. Cash is classified as FVTPL.

Impairment

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

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

Financial liabilities

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

As at March 31, 2019, the Company does not have any derivative financial liabilities.

Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are assigned value based on the residual value method and included in the share warrant reserve. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share issuance costs. When warrants are cancelled or are not exercised at the expiry date, the amount previously recognized is transferred to share capital.

NORTHWAY RESOURCES CORP.
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NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting pronouncement not yet adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the period ended March 31, 2019 and have not been applied in preparing these consolidated financial statements:

IFRS 16 – Leases: On January 13, 2016, the IASB issued the final version of IFRS 16 Leases. The new standard will replace IAS 17 Leases and is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applying IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets. The Company does not have any leases; and, as a result, there will be no impact on the Company’s consolidated financial statements.

IFRIC 23 – Uncertainty Over Income Tax Treatments: clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. It is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. The Company does not expect that the adoption of this standard will have a material effect on the Company’s consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company’s consolidated financial statements.

NOTE 4 - EXPLORATION AND EVALUATION ASSETS

	Healy	Napoleon	Total
	\$	\$	\$
Balance, May 29, 2018	-	-	-
Property acquisition and staking costs	-	41,085	41,085
<i>Exploration expenditures:</i>			
Accommodation and related	16,129	-	16,129
Assays	52,433	-	52,433
Claim and maintenance fees	76,021	-	76,021
Consulting	18,946	-	18,946
Data analysis	10,500	-	10,500
Geological	108,400	-	108,400
Supplies and fuel	6,526	-	6,526
Balance, March 31, 2019	288,955	41,085	330,040

Healy property

On July 31, 2018, the Company entered into an agreement (later amended in May 2019) with Newmont North America Exploration Limited (“Newmont”) to acquire, by way of contribution (the “Contribution”), up to 70% of the property located in Fairbanks Recording District, Alaska (the “Healy Property”).

The Company is entitled to acquire a 70% interest in the Healy Property upon incurring aggregate expenditures of US\$4,000,000 on the property during the phase 1 period of the Contribution.

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NOTE 4 - EXPLORATION AND EVALUATION ASSETS (continued)

Healy property (continued)

The following is a summary of the Contribution earn-in requirements:

Period (“Phase 1 Period”)	Exploration Requirement US\$	Aggregate Exploration Requirement US\$
On or before November 30, 2018	(incurred) 140,000	140,000
On or before December 31, 2020	360,000	500,000
On or before December 31, 2021	1,500,000	2,000,000
On or before December 31, 2022	2,000,000	4,000,000

Pursuant to the agreement, the Company is required to fund US\$140,000 by November 30, 2018 (incurred) and US\$360,000 by December 31, 2020, totaling US\$500,000 (“Mandatory Phase 1 Expenditures”). The Company may terminate the Contribution at any time, in its discretion, subject to satisfying any accrued obligations or liabilities including Mandatory Phase 1 Expenditures, as required.

Upon completing the Phase 1 earn-in requirement on the Healy Property, the value of the Company’s initial contribution shall be deemed to be US\$4,000,000 (70% interest) and the value of Newmont’s initial contribution shall be deemed to be US\$1,715,000 (30% interest). From and after the date on which the Company completes the Phase 1 earn-in requirement on the Healy Property, the Company and Newmont shall fund an adopted program on a pro-rata basis in accordance with their respective participating interests.

Napoleon property

The property is located in Fortymile District, Alaska and was acquired by staking with a payment of \$41,085.

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2019
	\$
Trade and other payables	52,640
Accrued liabilities	25,525
	78,165

NOTE 6 - SHARE CAPITAL AND RESERVES

Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

Issued share capital

During the period from inception on May 29, 2018 to March 31, 2019

- In May 2018, the Company issued 101 common shares at a price of \$0.01 per share for gross proceed of \$1 of which 1 share was then repurchased and cancelled. Subsequent to March 31, 2019, the remaining 100 common shares were repurchased and cancelled by the Company.

NORTHWAY RESOURCES CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 6 - SHARE CAPITAL AND RESERVES (continued)

Issued share capital (continued)

During the period from inception on May 29, 2018 to March 31, 2019 (continued)

In July 2018, the Company issued 4,000,000 common shares at a value of \$0.05 per share. The Company received gross proceed of \$4,000 and recorded \$196,000 as share-based compensation expense for the share issuance.

In September 2018, the Company issued 3,000,000 units at a value of \$150,000 to settle \$150,000 of debt. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.10 per share for five years.

In January 2019, the Company issued 2,000,000 units at a value of \$100,000 to settle \$100,000 of accounts payable. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.10 per share for five years.

In March 2019, the Company completed a non-brokered private placement of 7,000,000 units at a price of \$0.05 per unit for gross proceeds of \$350,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.10 per share for five years.

The 16,000,000 issued shares will be subject to escrow restrictions upon completion of the IPO and will be released from escrow in tranches over 36 months from listing on the TSX-V. These shares will be considered contingently returnable and will be excluded from the weighted average number of shares until released.

Share purchase warrants

In connection with the debt settlements in September 2018 and January 2019, and the March 2019 private placement, the Company issued 12,000,000 warrants with an exercise price of \$0.10 per warrant.

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Balance, May 29, 2018	-	-
Issued	12,000,000	0.10
Balance, March 31, 2019	12,000,000	0.10

A summary of the warrants outstanding and exercisable at March 31, 2019 is as follows:

Number of Warrants	Exercise Price	Expiry Date
	\$	
3,000,000	0.10	September 15, 2023
2,000,000	0.10	January 25, 2024
7,000,000	0.10	March 19, 2024
12,000,000		

NORTHWAY RESOURCES CORP.
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NOTE 7 - RELATED PARTY TRANSACTIONS AND BALANCES

During the period ended March 31, 2019, the Company entered into the following transaction with related parties, not disclosed elsewhere in these consolidated financial statements:

- The Company received non-interest bearing advances totaling \$175,000 from a director and a former director. These debts were then settled by the issuance of 3,000,000 units at a value of \$150,000 and cash repayment of \$25,000.
- The Company issued 2,000,000 units at a value of \$100,000 to settle \$100,000 of accounts payable to a company related by a common director of the Company.
- As at March 31, 2019, the Company owed \$10,000 to two directors of the Company for overpayment of share subscriptions. The balance were repaid subsequent to March 31, 2019.

Incurred exploration expenditures of \$100,952 and recorded share-based compensation of \$196,000 to a company controlled by a director of the Company. The exploration expenditure amount also includes a 10% fee on the exploration costs incurred on behalf of the Company. As at March 31, 2019, \$45,066 was included in accounts payable and accrued liabilities for reimbursement of exploration and evaluation expenditures.

NOTE 8 - FINANCIAL RISK AND CAPITAL 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:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables, accounts payable and accrued liabilities, and due to related parties approximate their carrying values. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

- a) Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing at major Canadian financial institutions. The Company has minimal credit risk.
- b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when they become due. As at March 31, 2019, the Company has sufficient cash to settle its current liabilities. The Company will require additional funding to meet its long-term exploration obligations.
- c) Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

NORTHWAY RESOURCES CORP.
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NOTE 8 - FINANCIAL RISK AND CAPITAL MANAGEMENT (continued)

d) Currency risk

The Company conducts exploration and evaluation activities in the United States. As such, it is subject to risk due to fluctuations in the exchange rates of the Canadian and US dollars. As at March 31, 2019, the Company does not have any significant monetary assets or liabilities in US dollars, therefore, the Company has determined that there is limited currency risk at this time.

NOTE 9 - SEGMENTED DISCLOSURE

The Company has one operating segment, being the acquisition and exploration of exploration and evaluation assets. All non-current assets of the Company are located in the USA.

NOTE 10 - CAPITAL MANAGEMENT

The Company considers its capital to be comprised of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company's approach to capital management during the period ended March 31, 2019. The Company is not subject to any externally imposed capital requirements.

NOTE 11 - INCOME TAXES

The reconciliation of the combined Canadian federal and provincial income tax rate to the income tax recovery presented in the accompanying statements of comprehensive loss is provided below:

	For the period ended March 31, 2019
	\$
Loss before income taxes	(225,085)
Expected income tax recovery at statutory tax rates	(60,800)
Permanent difference	52,900
Change in unrecognized deductible temporary differences	7,900
Total	-

Significant components of deferred tax assets that have not been recognized are as follows:

	As at March 31, 2019
	\$
Non-capital losses	7,900

NORTHWAY RESOURCES CORP.
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NOTE 11 - INCOME TAXES (continued)

Significant components of unrecognized deductible temporary differences and unused tax losses that have not been recognized on the statements of financial position are as follows:

	As at March 31, 2019	Expiry Date
Non-capital losses	\$ 29,000	2039

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

NOTE 12 – SUBSEQUENT EVENTS

The Company is in the process of filing its IPO whereby the Company plans to raise \$2,000,000 through the issuance of 20,000,000 common shares at \$0.10 per share (“Offering”). The Company will enter into an agency agreement with Haywood Securities Inc. and Echelon Wealth Partners Inc. (the “Agents”) (the “Agency Agreement”).

Pursuant to the Agency Agreement, the IPO will be subject to the following Agents’ fees and commissions: a \$35,000 non-refundable corporate finance fee, commission of 7% of the total funds raised by the Agents on closing of the IPO, and the issuance of agents’ warrants equal to 7% of the common share issued exercisable at a price of \$0.10 per share within 24 months from the closing date of the Offering. The Company will also reimburse the Agents for reasonable legal and other costs incurred, of which a retainer of \$15,000 was paid. In addition, the Company will grant the Agents an option to sell up to an additional 15% of the Offering at a price of \$0.10 per share within 30 days following the closing.

The Board of Directors has approved, on the date the Company’s shares are trading on the TSX-V, the granting of stock options to purchase up to 2,000,000 common shares of the Company at a price of \$0.10 per share expiring 5 years from grant.

APPENDIX “A”

AUDIT COMMITTEE CHARTER

1.0 Purpose of the Committee

1.1 The Audit Committee represents the Board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and auditing activities and legal compliance of the Company and its subsidiaries.

2.0 Members of the Committee

2.1 The Audit Committee shall consist of no less than three Directors a majority of whom shall be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business. The members of the Committee shall be selected annually by the Board and shall serve at the pleasure of the Board.

2.2 At least one Member of the Audit Committee must be "financially literate" as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the 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.

3.0 Meeting Requirements

3.1 The Audit Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically and shall be at such times and places as the Audit Committee determines. Without meeting, the Audit Committee may act by unanimous written consent of all members which shall constitute a meeting for the purposes of this charter.

3.2 A majority of the members of the Audit Committee shall constitute a quorum.

4.0 Duties and Responsibilities

4.1 The Audit Committee's function is one of oversight only and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) have the authority with respect to the appointment, retention or discharge of the independent public accountants as auditors of the Company (the "auditors") who perform the annual audit in accordance with applicable securities laws, and who shall be ultimately accountable to the Board through the Audit Committee;

- (b) review with the auditors the scope of the audit and the results of the annual audit examination by the auditors, including any reports of the auditors prepared in connection with the annual audit;
- (c) review information, including written statements from the auditors, concerning any relationships between the auditors and the Company or any other relationships that may adversely affect the independence of the auditors and assess the independence of the auditors;
- (d) review and discuss with management and the auditors the Company's audited financial statements and accompanying MD&A, including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles and report on them to the Board;
- (e) review and discuss with management the Company's interim financial statements and interim MD&A and report on them to the Board;
- (f) pre-approve all auditing services and non-audit services provided to the Company by the auditors to the extent and in the manner required by applicable law or regulation. In no circumstances shall the auditors provide any non-audit services to the Company that are prohibited by applicable law or regulation;
- (g) evaluate the external auditor's performance for the preceding fiscal year, reviewing their fees and making recommendations to the Board;
- (h) periodically review the adequacy of the Company's internal controls and ensure that such internal controls are effective;
- (i) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditors that may have a significant impact on the Company's financial reports, and report on them to the Board;
- (j) oversee and annually review the Company's Code of Business Conduct and Ethics;
- (k) approve material contracts where the Board of Directors determines that it has a conflict;
- (l) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding the audit or other accounting matters;
- (m) where unanimously considered necessary by the Audit Committee, engage independent counsel and/or other advisors at the Company's expense to advise on material issues affecting the Company which the Audit Committee considers are not appropriate for the full Board;
- (n) satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulation relating to insider trading, continuous disclosure and financial reporting;
- (o) review and monitor all related party transactions which may be entered into by the Company; and

- (p) periodically review the adequacy of its charter and recommending any changes thereto to the Board.

5.0 *Miscellaneous*

5.1 Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Audit Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Audit Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

CERTIFICATE OF THE COMPANY

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

June 21, 2019

Vancouver, British Columbia

(Signed) "*Zachary Flood*"
Chief Executive Officer
Northway Resources Corp.

(Signed) "*Enoch Kong*"
Chief Financial Officer
Northway Resources Corp.

On behalf of the Board of Directors

(Signed) "*Jay Sujir*"
Director
Northway Resources Corp.

(Signed) "*Jessica Van Den Akker*"
Director
Northway Resources Corp.

CERTIFICATE OF THE PROMOTERS

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

June 21, 2019
Vancouver, British Columbia

Kenorland Minerals Ltd.

(Signed) "*Zachary Flood*"
Zachary Flood

(Signed) "*Zachary Flood*"
President

CERTIFICATE OF THE AGENTS

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

June 21, 2019

Vancouver, British Columbia

HAYWOOD SECURITIES INC.

ECHELON WEALTH PARTNERS INC.

“Don Wong” “
Vice-President, Investment Banking

“David G. Anderson”
Head of Investment Banking