

FILING STATEMENT

IN RESPECT OF THE QUALIFYING TRANSACTION

BY

BEMETALS CORP.

OF

**THE ACQUISITION OF UP TO A 72% INTEREST IN
THE PANGENI EXPLORATION PROJECT
ZAMBIAN COPPERBELT, ZAMBIA**

Dated as of July 18, 2018

*Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way
passed upon the merits of the Qualifying Transaction described in this filing statement.*

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FORWARD LOOKING STATEMENTS

This Filing Statement contains "forward-looking statements" which reflect the current expectations of management of the Issuer, as applicable, regarding the Issuer's future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Issuer's and the Issuer's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in the "*Risk Factors*" section of this Filing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this Filing Statement. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this Filing Statement are based upon what management currently believes to be reasonable assumptions, the Issuer cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this Filing Statement and the Issuer does not intend, and do not assume any obligation, to update or revise these forward-looking statements.

GLOSSARY

Unless the context otherwise provides, the following terms used in this Filing Statement and the Schedules hereto shall have the meanings ascribed to them as set forth below:

"Acquisition" means the acquisition of the option to acquire up to a 72% interest in the Pangeni Exploration Project in the Zambian Copperbelt, Zambia pursuant to the terms and conditions of the Property Option Agreement, which shall constitute the Qualifying Transaction for the Issuer.

"Affiliate" means a company that is affiliated with another company as follows: A company is an "Affiliate" of another company if (a) one of them is the subsidiary of the other; or (b) each of them is controlled by the same Person. A company is "controlled" by a Person if (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company. A Person beneficially owns securities that are beneficially owned by (a) a company controlled by that Person; or (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

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

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

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

"Associate" when used to indicate a relationship with a Person, means (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to the outstanding voting securities of the issuer, (b) any partner of the Person, (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity, and (d) in the case of a Person who is an individual, that Person's spouse or child, or (ii) any relative of the Person or of his spouse who has the same residence as that person, (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

"**Authors**" means Mr. Allan Lines, P. Geo., the author of the Technical Report, together with Mr. Thomas Krebs, Pr. Sci Nat., who authored item 2.6 of the Technical Report and Mr. John Wilton, Pr.Sci.Nat., who co-authored items 1-11 and 13-24 of the Technical Report.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), SBC [2002] Ch. 57, as amended, including all regulations promulgated thereunder.

"**BMC Board**" means the board of directors of the Issuer or the Resulting Issuer, as applicable, as the same may be constituted from time to time.

"**BMC Options**" means the outstanding incentive share purchase options of the Issuer, entitling the holders to acquire an aggregate of 5,520,000 BMC Shares.

"**BMC Shareholders**" means the holders of the BMC Shares.

"**BMC Shares**" means the common shares in the capital of BMC prior to completion of the Qualifying Transaction.

"**Closing**" means the closing of the Acquisition and the closing of the concurrent Private Placement.

"**Closing Date**" means the date on which Closing occurs.

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

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

"**Consolidation**" means the April 23, 2015 consolidation of the Issuer's capital on the basis of one (1) post-consolidated share for every seven (7) pre-consolidated shares. All figures in this Filing Statement reflect the Consolidation unless otherwise specified.

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

"**CPC**" means a corporation (a) that has been incorporated or organized in a jurisdiction in Canada, (b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and (c) in regard to which the Final Exchange Bulletin has not yet been issued.

"**CPC Policy**" means Policy 2.4 of the Exchange's *Corporate Finance Manual*.

"**Escrow Agreement**" means the escrow agreement dated December 22, 2009, among the Issuer, the Transfer Agent and certain shareholders of the Issuer.

"**Escrowed Shares**" means the 15,538,574 BMC Shares to be held in escrow pursuant to the terms of the Escrow Agreement.

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

"Exploration Expenditures" means the amounts (inclusive of any and all taxes imposed or levied by a government, government authority or agency) spent directly or indirectly by the Issuer or its affiliates on or with respect to maintaining the Property, or exploration or mining activities on the Property directed towards ascertaining the existence, location, quality, quantity or commercial value of deposits of ores, minerals and mineral resources on any of the Property, and all exploration activities related towards developing and exploiting the Property, and such amounts will include Direct Costs and Contract Costs (each as defined in the Property Option Agreement) and consist of (i) the actual cost of such activities; (ii) the assessment work required under applicable mining laws; (iii) the mining duties on the Property and all other costs and expenses to keep the Property in good standing; and (iv) the (as defined in the Property Option Agreement) Operator's Fee.

"Filing Statement" means this filing statement of the Issuer including the schedules attached hereto.

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

"Initial Listing Requirements" has the meaning ascribed to such term in Exchange Policy 2.1 - *Initial Listing Requirements*.

"Initial Public Offering" or **"IPO"** means a transaction that involves an issuer issuing securities from its treasury pursuant to its first Prospectus. On March 16, 2010, the Issuer completed its initial public offering of 5,000,000 common shares at \$0.10 each for gross proceeds of \$500,000. These figures are pre-Consolidation and pre-Split.

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

"Issuer" or **"BMC"** means BeMetals Corp. (formerly BQ Metals Corp., formerly Miza Enterprises Inc., formerly Pacific-Link Capital Inc.), a corporation subsisting under the BCBCA and in the context of this Filing Statement refers to the Resulting Issuer after Completion of the Qualifying Transaction.

"Joint Venture Agreement" has the meaning assigned to that term under "Information Concerning the Issuer – General Development of the Business – Qualifying Transaction".

"Majority of the Minority Approval" means the approval of the Qualifying Transaction by the majority of the votes cast by shareholders, other than:

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

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

"**MD&A**" means management's discussion and analysis.

"**Member**" has the meaning ascribed to that term in Exchange Policy 1.1 – *Interpretation*.

"**Named Executive Officer**" or "**NEO**" has the meaning ascribed to it in Form 51-102F6 – *Statement of Executive Compensation* under National Instrument 51-102 entitled "*Continuous Disclosure Obligations*".

"**NEX**" means the NEX Board of the Exchange;

"**NI 43-101**" means National Instrument 43-101 entitled "Standards of Disclosure for Mineral Projects".

"**Non-Arm's Length Party**" means (a) in relation to a company: (i) a Promoter, officer, director, other Insider or Control Person of that company and any Associates or Affiliates of any such Persons; or (ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the company; and (b) in relation to an individual, any Associate of the individual or any company of which the individual is a Promoter, officer, Insider or Control Person.

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

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

"**Pangeni Exploration Project**" or the "**Property**" means exploration licence 19310-HQ-LEL in the Manyinga District of North-Western Province, Republic of Zambia which totals 575.68 km² located approximately 255 km west of the established mining centre of Solwezi.

"**Person**" means a Company or individual.

"**Principal**" means:

- (a) a Person who acted as a Promoter of the Issuer within two years before the IPO prospectus or the Final Exchange Bulletin;
- (b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO prospectus or the Final Exchange Bulletin;
- (c) a 20% holder - a Person that holds securities carrying more than 20% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non-IPO transactions; and
- (d) a 10% holder - a Person that:
 - (i) holds securities carrying more than 10% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the

Issuer's IPO or immediately after the Final Exchange Bulletin for non-IPO transactions; and

- (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

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

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

A Principal's spouse and any relatives of the Principal or spouse who live at the same address as the Principal will also be treated as Principals.

"Private Placement" means the private placement offering by the Issuer of 11,200,000 BMC Shares at a price of \$0.20 per BMC Share for aggregate gross proceeds of \$2,240,000.

"Pro Group" has the meaning given in Exchange Policy 1.1 - *Interpretation*.

"Promoter" has the meaning ascribed to it in the *Securities Act* (British Columbia).

"Property" refers to the Pangeni Exploration Project used interchangeably with 'large-scale exploration licence' and '19310-HQ-LEL'.

"Property Option Agreement" means the Issuer's November 2, 2017 letter agreement as confirmed February 5, 2018 with Copper Cross Zambia Limited (and its parent company, Manica Zambia Limited), pursuant to which the Issuer may acquire a up to a 72% interest in the Pangeni Exploration Project.

"Prospectus" means a disclosure document required to be prepared in connection with a public offering of securities and which complies with the form and content requirements of a prospectus as described in applicable Securities Laws.

"Qualifying Transaction" means generally a transaction where a CPC acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means and, in the case of the Issuer means the Acquisition of up to a 72% interest in the Pangeni Exploration Project pursuant to the Property Option Agreement.

"Related Party Transaction" has the meaning ascribed to that term under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transaction, and includes a related party transaction that is determined by the Exchange, to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non-Arms Length Parties, or other circumstances exist which may compromise the independence of the Issuer with respect to the transaction.

"Resulting Issuer" means the Issuer upon completion of the Acquisition.

"Resulting Issuer Options" means incentive stock options to acquire Resulting Issuer Shares under the Stock Option Plan.

"Resulting Issuer Shares" means the common shares in the capital of the Resulting Issuer, as constituted after giving effect to the Transactions, and in the context of this Filing Statement means the BMC Shares after the Completion of the Qualifying Transaction.

"Securities Act" means the *Securities Act* (British Columbia), as now in effect and as it may be amended from time to time.

"Securities Laws" means the Securities Act and equivalent laws in the other applicable provinces and territories of Canada, and the published policies, instruments, rules, judgments, orders and decisions of any securities authorities or governmental entities administering those statutes, as well as the rules, regulations, by-laws and policies of the Exchange.

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

"Seed Capital" or **"Seed Shares"** means securities issued before an issuer's initial public offering.

"Significant Assets" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the minimum listing requirements of the Exchange, and in the context of this Filing Statement, means the Pangeni Exploration Project.

"Split" means the January 4, 2017 split of the Issuer's capital on the basis of three post-split shares for every one pre-split share. All figures in this Filing Statement reflect the Split unless otherwise specified.

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

"Stock Option Plan" means the incentive stock option plan of the Issuer dated December 9, 2016.

"Technical Report" means the technical report on the Pangeni Exploration Project prepared pursuant to the provisions of NI 43-101 by African Mining Consultants for the Issuer dated effective April 10, 2018 and entitled "Technical Report – The Pangeni Project Northwest Province, Republic of Zambia" as more particularly described under "*Part II – Information Concerning the Significant Assets – The Property*".

"Transactions" means, collectively, the Acquisition and the Private Placement.

"Transfer Agent" or **"Computershare"** means Computershare Investor Services Inc., the transfer agent and registrar of the Issuer.

Words importing the singular number only include the plural and vice versa, and words importing any gender include all genders.

EXCHANGE RATE INFORMATION

In this Filing Statement, all references to "\$" or "\$" refer to Canadian dollars, all references to "US\$" refer to U.S. dollars. The daily average exchange rate on June 29, 2018 as reported by the Bank of Canada for the conversion of U.S. dollars into Canadian dollars was \$1.3168 equals US\$1.00.

GLOSSARY OF TECHNICAL TERMS AND SYMBOLS

The following is a glossary of technical terms and abbreviations used in this Filing Statement under "*Part II – Information Concerning the Significant Assets – The Property*".

Abbreviations:

@ means At
As means Arsenic
Ba means Barium
Bi means Bismuth
Co means Cobalt
Cu means Copper
DRC means Democratic Republic of the Congo
F means Fellow
FQML means First Quantum Minerals Limited
GPS means Global positioning system
ICP-OES means Inductively coupled plasma optical emission spectroscopy
ISO means International Organisation for Standardisation
K means Potassium
M means Member
Mo means Molybdenum
Ni means Nickel
No. means Number
P.Geom means Professional Geoscientist or Professional Geologist
Pb means Lead
QA means Quality assurance
QC means Quality control
RST means Roan Selection Trust
Sc means Scandium
U means Uranium
V means Vanadium
XRF means X-ray fluorescence
Zn means Zinc

Units of Measurement:

° means Degree
% means Percentage
g means gram
km means Kilometre
km² means Square kilometres
kt means Kilo-tonne
L means Litre
m means Metre
m² means Square metre
mm means Millimetre
t means Tonne
µm means Micron

SUMMARY OF FILING STATEMENT

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

Reference is made to the Glossary of Terms for the definitions of certain abbreviations and terms used in this Filing Statement and in this summary.

This Filing Statement is being prepared in accordance with Exchange Form 3B2 to provide information regarding the Transactions which collectively will serve as the Issuer's Qualifying Transaction under the policies of the Exchange.

The Qualifying Transaction

Pursuant to the Property Option Agreement, Copper Cross Zambia Ltd. and its parent company, Manica Zambia Limited (collectively, the "**Vendors**") granted the Issuer a right and option to acquire up to a 72% interest in the Pangeni Exploration Project. Consideration for the initial 67.5% interest consists of 500,000 BMC Shares, the expenditure of an aggregate of US\$2,500,000 Exploration Expenditures and the payment of an aggregate of US\$300,000 in cash to the Vendors during the next 2 years, and the payment of an aggregate of US\$1,150,000 in cash to the Vendors and the preparation of a preliminary economic assessment in the next 5 years. Consideration for the additional 4.5% interest consists of the payment of an aggregate of US\$750,000 in cash and funding of the preparation of a feasibility study.

The Pangeni Exploration Project consists of exploration licence 19310-HQ-LEL in the Manyinga District of North-Western Province, Republic of Zambia which totals 575.68km² located approximately 255 km west of the established mining centre of Solwezi.

Upon Completion of the Qualifying Transaction, the Resulting Issuer will be engaged in the business of exploring for copper on the Pangeni Exploration Project and such other properties and interests as may be subsequently acquired by the Issuer. See "*Information Concerning Significant Assets – The Pangeni Exploration Project*" and "*Information Concerning the Resulting Issuer*" below.

Private Placement

In conjunction with the Qualifying Transaction, the Issuer will complete the Private Placement of 11,200,000 BMC Shares at a price of \$0.20 each for gross proceeds of \$2,240,000. See "*Part I – Information Concerning BMC – Financing*".

The Issuer will pay finder's fees to certain arm's length parties in an amount equal to 5% of gross proceeds raised under the Private Placement from subscribers introduced to the Issuer by the finders. The proceeds of the Private Placement will be used for exploration on the Pangeni Exploration Project, to satisfy the Resulting Issuer's financial obligations, and for working capital purposes. See "*Information Concerning the Issuer*" and "*Information Concerning the Resulting Issuer*" below.

There are currently 56,798,577 BMC Shares issued and outstanding. In connection with the Completion of the Qualifying Transaction, the Issuer will

issue 11,200,000 BMC Shares pursuant to the Private Placement and an initial 100,000 BMC Shares to the Vendors. On Completion of the Qualifying Transaction, assuming completion of the Private Placement, the following securities of the Issuer will be issued and outstanding:

- 68,098,577 Resulting Issuer Shares; and
- 5,520,000 Resulting Issuer Options.

Conditions to Completion of the Qualifying Transaction

The closing of the Qualifying Transaction is conditional upon, among other things:

- (i) obtaining Exchange approval for the Qualifying Transaction; and
- (ii) the closing of the Private Placement for proceeds of not less than \$2,240,000.

Estimated Funds Available to the Resulting Issuer and Principal Purposes of Those Fund:

Upon Closing of the Qualifying Transaction, assuming completion of the Private Placement, the Resulting Issuer will have available funds of approximately \$1,793,908 (prior to the costs of the Transactions, estimated at \$165,000). The available funds will be used for, among other things, the recommended exploration program on the Pangeni Exploration Project in accordance with the Technical Report, cash payments to the Vendors pursuant to the Property Option Agreement and ongoing general and administrative expenses. See "*Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*" below.

Selected Pro Forma Consolidated Financial Information

The following table summarizes selected pro forma consolidated financial information for the Resulting Issuer as at March 31, 2018, which gives effect to the Transactions as though they had occurred on that date. The information should be read in conjunction with the Resulting Issuer's pro forma consolidated statement of financial position and notes thereto which is attached to this Filing Statement as Schedule "A".

Pro Forma Financial Information
as at March 31, 2018

Total Assets	5,565,584
Total Liabilities	3,652,309

Directors Officers and Insiders of the Issuer upon Completion of the Qualifying Transaction

Upon Completion of the Qualifying Transaction, assuming completion of the Private Placement, it is anticipated that the number and percentage of Resulting Issuer Shares which the directors officers and insiders of the Resulting Issuer directly or indirectly own or control will be as follows:

Insider, Promoter or Insider of the Resulting Issuer	Number of BMC Shares held before the Completion of the Qualifying Transaction	Percentage of BMC Shares held before the Completion of the Qualifying Transaction	Number of Resulting Issuer Shares held on Completion of the Qualifying Transaction	Percentage of Resulting Issuer Shares held on Completion of the Qualifying Transaction
John Wilton	Nil	N/A	150,000	0.22%
Clive T. Johnson	13,350,000	23.5%	7,850,000 ⁽¹⁾	11.53% ⁽¹⁾
Tom Garagan	3,250,000	5.72%	3,950,000	5.80%
Roger Richer	3,000,000	5.28%	3,750,000	5.51%
Kristen Reinertson	30,000	0.05%	30,000	0.04%

Note:

(1) Mr. Johnson decreased his position in order for other directors and key advisers to acquire a larger stake in the Company which further aligns their interests with those of the shareholders of the Company. Mr. Johnson retains 11.53% ownership of the Company following these private transactions and upon Closing of the Private Placement and the Qualifying Transaction.

Non-Arm's Length Qualifying Transaction

The Acquisition is not a Non-Arm's Length Qualifying Transaction.

Issuer's Listing on the Exchange

The Issuer was incorporated under the BCBCA on February 4, 2008. Its head office is located at Suite 3123, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and its registered office is located at Suite 2500, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3. See "*Information Concerning the Issuer - Name and Incorporation*".

On March 16, 2010, the Issuer completed its initial public offering of 5,000,000 pre-Consolidation and pre-Split common shares at pre-Consolidation and pre-Split price of \$0.10 each for gross proceeds of \$500,000. The Issuer's common shares commenced trading on the Exchange on March 24, 2010. On July 3, 2012 the Issuer's common shares were moved to the NEX Board of the Exchange for failure to complete a Qualifying Transaction within the time limits required by the Exchange. The Issuer is a reporting issuer in the provinces of British Columbia and Alberta. The Issuer is a CPC under the policies of the Exchange. As a CPC,

the principal business of the Issuer is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. See *"Information Concerning the Issuer - History"*.

Market Price The Issuer's common shares are listed on the NEX board of the TSX Venture Exchange under the trading symbol BMET.H. At the request of the Issuer, trading of its common shares was halted on June 18, 2018. On June 15, 2018 (the last day on which the Issuer's common shares traded), the closing price of the Issuer's common shares on NEX was \$0.20.

Agent/Sponsor No agent or sponsor has been retained in connection with the Qualifying Transaction as the Exchange has waived the sponsorship requirement.

Conflicts of Interest The Issuer is not aware of any conflicts of interest in connection with the Acquisition. Certain of the directors and officers of the Issuer are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. Conflicts of interest, if any, will be subject to, and will be resolved in accordance with, the procedures and remedies under the BCBCA . See *"Risk Factors"* below.

Interest of Experts To the knowledge of the directors of the Issuer, no experts have any interest in the Acquisition, other than John Wilton, the President, CEO and a director of the Issuer, who co-authored items 1-11 and 13-24 of the Technical Report. The Technical Report was prepared regarding the Pangeni Exploration Project on behalf of the Issuer. Messrs. Allan Lines and Thomas Krebs, the two remaining Authors of the Technical Report, are independent of and operate at arm's length from the Issuer. A copy of the Technical Report has been provided to the Exchange, and is available for viewing as part of the Issuer's public filings on SEDAR (www.sedar.com).

The financial statements of BMC for the year ended December 31, 2017 and the eleven-month period ended December 31, 2016, described or included in this Filing Statement were audited by PricewaterhouseCoopers LLP ("**PWC**"), Chartered Professional Accountants. PWC has advised BMC that they are independent of BMC within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

The financial statements of BMC for the year ended January 31, 2016, described or included in this Filing Statement were audited by Dale Matheson Carr-Hilton Labonte LLP ("**DMCL**"), Chartered Professional Accountants. DMCL has advised BMC that it is independent of BMC within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

None of the foregoing Persons or any of their respective directors, officers or employees is, or expects to be, elected, appointed or employed as a director, officer or employee of the Resulting Issuer or its Associates or Affiliates.

Forward Looking Information: This Filing Statement contains "forward looking information" within the meaning of applicable Securities Laws in Canada which reflect the current expectations of management of BMC regarding the Resulting Issuer's future growth, results of operations, performance and business prospects and

opportunities. Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. For a comprehensive discussion of the risk factors relating to the Resulting Issuer, see "*Risk Factors*". All forward-looking information in this Filing Statement is expressly qualified in its entirety by the cautionary statements contained in or referred to in this Filing Statement. See "*Forward-Looking Statements*".

Risk Factors:

An investment in Resulting Issuer Shares should be considered highly speculative and investors may incur the total loss of their investment. A detailed summary of the risk factors affecting the Issuer and the Resulting Issuer can be found under "Risk Factors" below. Investors should consider the following risk factors: There is no assurance that the Acquisition will receive regulatory approval. See "*Risk Factors – Requisite Approvals*". Mineral resource exploration is highly speculative and involves a number of inherent operational risks. Few properties explored are ultimately developed into producing mines. The Resulting Issuer will only have one exploration stage property upon closing if its Qualifying Transaction. There can be no assurance that any mineral deposit will be located on the Pangeni Exploration Project, and there can be no assurance the Resulting Issuer will be able to acquire additional properties. The Issuer has no history of operations and expects to continue to incur losses for the foreseeable future. See "*Risk Factors – Future Profits / Losses and Production Revenues / Expenses*". The Resulting Issuer will require additional funds in order to further explore and develop the Pangeni Exploration Project, as well as for general working capital. The Resulting Issuer will be reliant on the sale of equity for such funds. There can be no assurance the Resulting Issuer will be able to obtain such funds. The Issuer cannot guarantee title to its properties. The Issuer will be significantly affected by world commodity prices, variations of which may affect the Issuer's ability to raise additional capital. There is no assurance the Issuer will be able to obtain insurance for its operations. Mineral exploration and mining involves many risks and hazards which even a combination of experience, knowledge and careful evaluation may not be able to overcome. A valid permit is required to undertake any mechanized work and there is no assurance that the Resulting Issuer can acquire such permits. The mining industry is subject to a significant degree of regulation, which may affect the Issuer's operations and its ability to develop its properties. See "*Risk Factors – Permits and Licenses*". The Issuer is involved in a highly competitive industry with companies which have greater resources than the Issuer. See "*Risk Factors – Competition*". All of the Issuer's exploration, development and any production activities will be subject to environmental regulations, which may make its operations difficult, expensive, or prohibit them altogether. The Issuer may become subject to environmental liabilities as a result of such regulations, which could have a material adverse effect on the Issuer. See "*Risk Factors – Environmental Matters*". Mining, processing, development and exploration activities depend on adequate infrastructure. See "*Risk Factors – Infrastructure*". The Resulting Issuer will rely on John Wilton, a key officer and director, the loss of which could adversely affect the Resulting Issuer. The Resulting Issuer's directors and officers serve on the boards and as officers of other companies whose interests may conflict with the Issuer. See "*Risk Factors – Dependence on Key Personnel*" and "*Risk Factors – Conflicts of Interest*". This Filing Statement contains "forward looking statements" which reflect the current expectations of management of the Issuer regarding the Issuer's future

growth, results of operations, performance and business prospects and opportunities. See "*Risk Factors – Forward Looking Statements*".

See "*Risk Factors*" and the other information included in this Filing Statement for a discussion of the risks that an investor should carefully consider before deciding to invest in the Resulting Issuer Shares.

**Conditional
Approval:**

The Exchange has conditionally accepted the Acquisition as a Qualifying Transaction, subject to the Issuer fulfilling all of the requirements of the Exchange on or before October 15, 2018.

RISK FACTORS

There are a number of risk factors associated with BMC, the Resulting Issuer and the Transactions. The risks factors associated with the Acquisition and principal business of the Resulting Issuer following the Acquisition of the Pangen Exploration Project are discussed below. Readers should carefully consider all such risks set out in the discussion below. The Resulting Issuer's actual exploration and operating results may be very different from those expected as at the date of this Filing Statement. An investment in the securities of the Resulting Issuer is speculative and involves significant risks. Investors should carefully consider the risks described below and the other information contained in this Filing Statement before making an investment in the Resulting Issuer. Additional risks and uncertainties not presently known to BMC or that BMC currently considers immaterial may also impair the business and operations of the Resulting Issuer and cause the trading price of the Resulting Issuer Shares to decline. If any of the following, or other risks, occur, the Resulting Issuer's business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that event, the trading price of the BMC Shares could decline and you could lose all or part of your investment. The risks set out below are not the only risks the Resulting Issuer faces. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks.

Requisite Approvals and Completion of the Transactions

The completion of the Transactions are subject to several conditions precedent, some of which are outside the control of BMC. There can be no assurances that the Acquisition will be completed on the terms set out in the Property Option Agreement, as negotiated, or at all. In the event that any of the conditions precedent are not satisfied or waived, the Transactions may not be completed. In addition, there is no guarantee that BMC will be able to satisfy the requirements of the Exchange such that it will issue the Final Exchange Bulletin.

Additional Funding Requirements

Further exploration on, and development of, the Pangen Exploration Project will require additional capital. The continuing exploration and development of the Resulting Issuer's property will depend upon the Resulting Issuer's ability to obtain financing through debt financing, equity financing, the joint venturing of projects, or other means. There is no assurance that the Resulting Issuer will be successful in obtaining the required financing for these or other purposes, including for general working capital. If the Resulting Issuer is unable to fund its commitments under the Property Option Agreement, the Resulting Issuer will lose its option to acquire its interest in the Pangen Exploration Project.

Exploration and Mining Risks

Resource exploration, development, and operations are highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, land slides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Resulting Issuer will rely upon consultants and others for exploration, development, construction and operating expertise. Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to

extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Resulting Issuer not receiving an adequate return on invested capital.

The Resulting Issuer will carefully evaluate the political and economic environment in considering any properties for acquisition. There can be no assurance that additional significant restrictions will not be placed on the Pangeni Exploration Project and any other properties the Resulting Issuer may acquire or its operations. Such restrictions may have a material adverse effect on the Resulting Issuer's business and results of operation.

Exploration Target

The Pangeni Exploration Project is an exploration target. There has been insufficient exploration at the Pangeni Exploration Project to determine if there are mineral resources or mineral reserves as defined under National Instrument 43-101 and there is no certainty that further exploration will result in the discovery of mineral resources or mineral reserves.

Future Profits/Losses and Production Revenues/Expenses

The Issuer has no history of operations and expects that its losses will continue for the foreseeable future. No mineral deposit has yet been found on the Pangeni Exploration Project. The Resulting Issuer will have rights to acquire only one mineral property upon completion of the Transactions. There can be no assurance that the Resulting Issuer will be able to acquire additional properties. If the Resulting Issuer is unable to acquire additional properties, its entire prospects will rest solely with the Pangeni Exploration Project and accordingly, the risk of being unable to identify a mineral deposit will be higher than if the Resulting Issuer had additional properties to explore. There can be no assurance that the Resulting Issuer will be profitable in the future. The Resulting Issuer's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, and development of the Pangeni Exploration Project and any other properties the Resulting Issuer may acquire 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, and the Resulting Issuer's acquisition of additional properties and other factors, many of which are beyond the Resulting Issuer's control. The Issuer does not expect to receive revenues from operations in the foreseeable future, if at all. The Issuer expects to incur losses unless and until such time as the Pangeni Exploration Project and/or any other properties the Resulting Issuer may acquire enter into commercial production and generate sufficient revenues to fund its continuing operation, the development of the Pangeni Exploration Project and/or any other properties the Resulting Issuer may acquire will require the commitment of substantial resources to conduct the time-consuming exploration and development of properties. There can be no assurance that the Resulting Issuer will generate any revenues or achieve profitability. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Commodity Prices

Factors beyond the control of the Resulting Issuer may affect the marketability and price of any minerals discovered, if any. Resource prices have fluctuated widely in recent years and are affected by numerous factors beyond the control of the Resulting Issuer, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors cannot be accurately predicted. Future production, if any, from the Resulting Issuer's mining properties is dependent on mineral prices that are adequate to make these properties economic. A sustained period of declining commodity prices would adversely affect the Resulting Issuer's financial performance, financial position, results of operations and trading value of the Resulting Issuer Shares.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Resulting Issuer may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Resulting Issuer.

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

Operating Hazards and Risks

Mineral exploration and mining involves many operating hazards and risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These hazards include unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour to mitigate these hazards.

Operations in which the Resulting Issuer will have a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. Although the Resulting Issuer will plan to maintain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event the Resulting Issuer could incur significant costs that could have a materially adverse effect upon its financial condition.

Permits and Licences

Operations of the Resulting Issuer will require licenses and permits from various governmental authorities. The Issuer anticipates that it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct, and that it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Resulting Issuer will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of the property.

Competition

The mining industry is competitive in all of its phases. The Resulting Issuer faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, metals. Many of these companies have greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or a greater ability than the Resulting Issuer to withstand losses. The Resulting Issuer's competitors may be able to respond more quickly to new laws or regulations or emerging technologies, or devote greater resources to the expansion or efficiency of their operations than the Resulting Issuer can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships amongst themselves or with third parties. Accordingly, it is possible that new competitors or alliances amongst current and new competitors may emerge and gain significant market share to the Resulting Issuer's detriment. The Resulting Issuer may also encounter increasing competition from other mining companies in the Resulting Issuer's efforts to hire experienced mining professionals. Increased competition could adversely affect the Resulting Issuer's ability to attract necessary capital funding, to acquire it on acceptable terms, or to acquire suitable producing properties or prospects for mineral exploration in the future. As a result of this competition, the Resulting Issuer may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations and prospects.

Environmental Matters

All of the Resulting Issuer's exploration and development operations will be subject to environmental regulations, which can make operations expensive or prohibit them altogether. The Resulting Issuer may be subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products that could occur as a result of its mineral exploration, development and production.

To the extent the Resulting Issuer is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce funds otherwise available to it and could have a material adverse effect on the Resulting Issuer. If the Resulting Issuer is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Resulting Issuer.

All of the Resulting Issuer's exploration, development and any production activities will be subject to regulation under one or more environmental laws and regulations. Many of the regulations require the Resulting Issuer to obtain permits for its activities. The Resulting Issuer must update and review its

permits from to time, and is subject to environmental impact analyses and public review processes prior to approval of the additional activities.

It is possible that future changes in applicable laws, regulations and permits or changes in their enforcement or regulatory interpretation could have a significant impact on some portion of the Resulting Issuer's business, causing those activities to be economically re-evaluated at that time.

Infrastructure

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important requirements, which affect capital and operating costs. Unusual or infrequent weather, phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect future operations of the Resulting Issuer.

Dependence on Key Personnel

The Resulting Issuer's future success and growth depends in part upon the experience of John Wilton, a key officer and director. If, for any reason, he does not continue to be active in the Resulting Issuer's management, the operations and business prospects of the Resulting Issuer could be adversely affected.

Conflicts of Interest

Certain of the officers and directors of the Issuer are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Resulting Issuer will be required by law to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interest which they may have in any project or opportunity of the Resulting Issuer. If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Resulting Issuer will participate in any project or opportunity, the director will primarily consider the degree of risk to which the Resulting Issuer may be exposed and its financial position at that time.

Dependence on the Pangeni Exploration Project

The Resulting Issuer's only material property for the purposes of NI 43-101 is the Pangeni Exploration Project, which is an early stage exploration project. The Pangeni Exploration Project is at an exploration stage and there are not yet any defined mineral resources. There is uncertainty relating to defining any mineral resources and there is no assurance that any defined mineral resources will be upgraded to mineral reserves with sufficient geological continuity and extractive characteristics to make them economic.

Changes in General Economic Conditions

The Resulting Issuer's future performance will be affected by a range of economic, competitive, governmental, operating and other business factors, many of which cannot be controlled, such as general economic and financial conditions in the industry or the economy at large. Many industries, including the base and precious metals mining industry, are impacted by global market conditions. Some of the key impacts of previous financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and metals markets and a lack of market liquidity. A slowdown in the financial markets or other economic conditions, including, but not limited to, reduced consumer spending, increased unemployment rates,

deteriorating business conditions, inflation, deflation, volatile fuel and energy costs, increased consumer debt levels, lack of available credit, changes in interest rates and changes in tax rates may adversely affect the Resulting Issuer's growth and profitability potential.

Dangers Inherent to Mining Activities

The Resulting Issuer's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of copper and other metals, including, without limitation, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and other geotechnical instabilities, equipment failure or structural failure, metallurgical and other processing problems and other conditions involved in the mining of minerals, any of which could result in damage to, or destruction of, the Resulting Issuer's mines, plants and equipment, personal injury or loss of life, environmental damage, delays in mining, increased production costs, asset write-downs, monetary losses and legal liability. The occurrence of any of these events could result in a prolonged interruption in the Resulting Issuer's operations that would have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations and prospects.

Exploration and Development Risks

Resource exploration and development are highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Resulting Issuer will rely upon consultants and others for exploration, development, construction and operating expertise. Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources or reserves, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

No assurance can be given that minerals will be discovered on the Resulting Issuer's exploration properties or any newly acquired property in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, permitting, environmental regulation, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Resulting Issuer not receiving an adequate return on invested capital.

The Resulting Issuer will carefully evaluate the political and economic environment in considering any properties for acquisition. There can be no assurance that additional significant restrictions will not be placed on the Property and any other properties the Resulting Issuer may acquire or its operations. Such restrictions may have a material adverse effect on the Resulting Issuer's business and results of operation.

Risks Related to Operations in a Foreign Jurisdiction

The Resulting Issuer's business will operate in a foreign jurisdiction where there are added risks and uncertainties due to the different economic, cultural and political environments. The Resulting Issuer's mineral exploration and mining activities may be adversely affected by political instability and changes to government regulation and policy relating to the mining industry. Other risks of foreign operations include political unrest, labour disputes and unrest, invalidation of governmental orders and permits, corruption, war, civil disturbances and terrorist actions, arbitrary changes in law or policies of particular countries (including nationalization of mines), foreign taxation, price controls, delays in obtaining or renewing or the inability to obtain or renew necessary permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports and increased financing costs. Local economic conditions can also adversely affect the security of the Resulting Issuer's operations and the availability of supplies. In addition, risks of operations in Zambia include fluctuations in currency exchange rates, high rates of inflation, significant changes in laws and regulations including but not limited to tax regulations, permitting and expropriation. These risks may limit or disrupt the Resulting Issuer's projects, reduce financial viability of local operations, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation. There can be no assurance that changes in the government or laws or changes in the regulatory environment for mining companies or for non-domiciled companies will not be made that would adversely affect the Resulting Issuer's business, financial condition, results of operation and prospects.

Governmental Regulations

The Canadian Extractive Sector Transparency Measures Act ("**ESTMA**"), which became effective June 1, 2015, requires public disclosure of payments to governments by mining companies engaged in the commercial development of minerals who are either publicly listed in Canada or with business or assets in Canada. Mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments, and any other prescribed payment over \$100,000. Failure to report, false reporting or structuring payments to avoid reporting may result in fines of up to \$250,000 (which may be concurrent). If the Resulting Issuer is subject to an enforcement action or in violation of ESTMA, this may result in significant penalties, fines and/or sanctions imposed on us resulting in a material adverse effect on our reputation.

The Resulting Issuer's efforts to comply with new rules and regulations are likely to result in increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. If the Resulting Issuer fails to comply with such regulations, it could have a negative effect on the Resulting Issuer's business, results of operations, and share price and investors could lose all or part of their investment. These rules and regulations continue to evolve in scope and complexity and many new requirements have been created in response to laws enacted by governments, making compliance more difficult and uncertain.

*Anti-bribery laws (such as the Corruption of Foreign Public Officials Act of Canada ("**CFPOA**"))*

The Resulting Issuer's business is subject to the CFPOA which generally prohibits companies and company employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. The CFPOA also requires companies to maintain accurate books and records and internal controls, including all foreign-controlled subsidiaries. In addition, the Resulting Issuer is subject to other anti-bribery laws of the nations in which it conducts business that

apply similar prohibitions as the CFPOA. The Resulting Issuer's employees or other agents may, without the Resulting Issuer's knowledge and despite its efforts, engage in prohibited conduct under the CFPOA or other anti-bribery laws that the Resulting Issuer may be subject to and for which it may be held responsible. If employees or other agents are found to have engaged in such practices, the Resulting Issuer could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations

No Assurance of Ability to Acquire Properties for Growth

The life of any mine is limited by its ore resources. As the Resulting Issuer seeks to establish, expand and replace the Resulting Issuer's resources through exploration or acquisition of interests in new properties, the Resulting Issuer may encounter strong competition from other companies. This competition may limit the Resulting Issuer's ability to adequately establish, expand and replace ore resources.

Emerging Climate Change Regulations

Governments at all levels may be moving towards enacting legislation to address climate change concerns, such as requirements to reduce emission levels and increase energy efficiency, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. Where legislation has already been enacted, such regulations may become more stringent, which may result in increased costs of compliance. There is no assurance that compliance with such regulations will not have an adverse effect on our results of operations and financial condition. Furthermore, given the evolving nature of the debate related to climate change and resulting requirements, it is not possible to predict the impact on our results of operations and financial condition

Litigation and Other Proceedings

All companies are subject to legal claims, with and without merit. The Resulting Issuer's operations are subject to the risk of legal claims by employees, unions, contractors, lenders, suppliers, joint venture partners, shareholders, governmental agencies or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. The outcome of litigation and other legal proceedings that the Resulting Issuer may be involved in the future, particularly regulatory actions is difficult to assess or quantify. Plaintiffs may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the litigation process could take away from the time and effort of the Resulting Issuer's management and could force the Resulting Issuer to pay substantial legal fees. There can be no assurance that the resolution of any particular legal proceeding will not have an adverse effect on the Resulting Issuer's financial position and results of operations.

Limited Market for Securities

It is anticipated that upon Completion of the Qualifying Transaction, the Resulting Issuer Shares will be listed on the Exchange, however, there can be no assurance that an active and liquid market for the Resulting Issuer Shares will develop or be maintained.

Future Sales or Issuances of Equity Securities

The Resulting Issuer may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into equity securities). The Resulting Issuer cannot predict the size of future issuances of equity securities or the size and terms of future issuances of debt instruments or other

securities convertible into equity securities or the effect, if any, that future issuances and sales of such securities will have on the market price of the Resulting Issuer Shares.

Additional issuances of such securities may involve the issuance of a significant number of Resulting Issuer Shares at prices less than the current market price for the Resulting Issuer Shares. Issuances of substantial numbers of Resulting Issuer Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices of the Resulting Issuer Shares. Any transaction involving the issuance of previously authorized but unissued Resulting Issuer Shares, or securities convertible into Resulting Issuer Shares, would result in dilution, possibly substantial, to security holders. Sales of substantial amounts of the Resulting Issuer's securities by the Resulting Issuer or its existing shareholders, or the availability of such securities for sale, could adversely affect the prevailing market prices for the Resulting Issuer Shares and dilute investors' earnings per share. Exercises of presently outstanding share options or warrants may also result in dilution to security holders.

Cyber Security Threats

The Resulting Issuer will rely on secure operations of information technology systems in the conduct of the Resulting Issuer's operations. Access to and security of the information technology systems are critical to the Resulting Issuer's proposed operations. The Resulting Issuer intends to implement policies, controls and practices to manage and safeguard the Resulting Issuer and the Resulting Issuer's stakeholders from internal and external cyber security threats and to comply with changing legal requirements and industry practice. Given that cyber risks cannot be fully mitigated and the evolving nature of these threats, the Resulting Issuer cannot assure that the Resulting Issuer's information technology systems are fully protected from cybercrime or that the systems will not be inadvertently compromised, or without failures or defects. Disruptions to the Resulting Issuer's information technology systems, including, without limitation, security breaches, power loss, theft, computer viruses, cyber-attacks, natural disasters, and non-compliance by third party service providers and inadequate levels of cyber security expertise and safeguards of third party information technology service providers, may adversely affect the operations of the Resulting Issuer as well as present significant costs and risks including, without limitation, loss or disclosure of confidential, proprietary, personal or sensitive information and third party data, material adverse effect on the Resulting Issuer's financial performance, compliance with the Resulting Issuer's contractual obligations, compliance with applicable laws, damaged reputation, remediation costs, potential litigation, regulatory enforcement proceedings and heightened regulatory scrutiny.

Fluctuations in Foreign Currency Exchange Rates

The Resulting Issuer's potential profitability is exposed to the financial risk related to the fluctuation of foreign exchange rates. The minerals that could be produced from the Pangeni Exploration Project are priced in US dollars but, since the Property is located in Zambia, a portion of estimated expenditures are in Zambian kwacha. However, the Private Placement is being conducted in Canadian dollars and Pangeni Exploration Project budgets are denominated in US dollars. A significant change in the currency exchange rates between the Canadian dollar, US dollar, and Zambian kwacha could have an effect on the potential profitability of the Pangeni Exploration Project and therefore the Resulting Issuer's ability to continue to finance its operations. The Resulting Issuer's prospects may suffer due to adverse currency fluctuations which could significantly affect the Resulting Issuer's business, financial condition and results of operations.

INFORMATION CONCERNING THE ISSUER

Corporate Structure

Name and Incorporation

The full name of the Issuer is "BeMetals Corp.". The head office of the Issuer is located at Suite 3123, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and its registered office is located at Suite 2500, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3

The Issuer was incorporated under the BCBCA on February 4, 2008 under the name "Pacific-Link Capital Inc.". On April 23, 2015, Pacific-Link Capital Inc. consolidated its capital on a seven old for one new basis and changed its name to "Miza Enterprises Inc.". Effective January 4, 2017, the Issuer's common shares were split on a one old for three new basis. On May 18, 2017, Miza Enterprises Inc. changed its name to BQ Metals Corp. On April 18, 2018, BQ Metals Corp. changed its name to BeMetals Corp.

In connection with the Completion of the Qualifying Transaction, it is anticipated that the Resulting Issuer Shares will be listed on Tier 2 of the Exchange as a mining issuer.

BMC's authorized capital consists of an unlimited number of BMC Shares without par value, and an unlimited number of preferred shares without par value.

Intercorporate Relationships

BQ Acquisitionco Corp., a company incorporated under the BCBCA on April 27, 2017, is a wholly-owned subsidiary of the Issuer.

BQ Financeco Corp., a company incorporated under the BCBCA on April 27, 2017, is a wholly-owned subsidiary of BMC.

General Development of the Business

History

The following is a description of the major acquisitions and dispositions of assets, and other events and transactions that have influenced the general development of the Issuer.

A. Corporate History

BMC was incorporated as Pacific-Link Capital Inc. under the BCBCA on February 4, 2008. On March 16, 2010, Pacific-Link Capital Inc. completed its Initial Public Offering of 5,000,000 pre-Consolidation and pre-Split common shares at \$0.10 per common share for gross proceeds of \$500,000. The common shares of Pacific-Link Capital Inc. commenced trading on the Exchange on March 24, 2010 under the symbol PCL.P. On June 2, 2011, trading of Pacific-Link Capital Inc.'s common shares was halted and on March 27, 2012, trading of Pacific-Link Capital Inc.'s common shares was suspended as the company failed to complete a Qualifying Transaction within 24 months of its listing. On June 25, 2012, in accordance with the CPC Policy, 1,400,000 pre-Consolidation and pre-Split common shares issued to Non-Arm's Length Parties were cancelled. On July 3, 2012, the company's listing was transferred to NEX and the trading symbol for the Pacific-Link Capital Inc. common shares was changed from PCL.P to PCL.H. On October 16, 2014, trading of Pacific-Link Capital Inc.'s common shares was reinstated.

Effective April 23, 2015, Pacific-Link Capital Inc. consolidated its capital on a seven (7) old shares for one (1) new share basis, changed its name to Miza Enterprises Inc., and changed its trading symbol to MZA.H. Effective January 4, 2017, the common shares of the Issuer commenced trading on a one (1) old share for three (3) new share basis. On June 20, 2017, the Issuer changed its name to BQ Metals Corp. and changed its trading symbol to BQ.H. On April 18, 2018, BQ Metals Corp. changed its name to BeMetals Corp. The Issuer is a reporting issuer in the provinces of British Columbia and Alberta and the BMC Shares are listed on NEX under the trading symbol BMET.H.

B. Prior Financings

On March 16, 2010, the Issuer completed its initial public offering of 5,000,000 pre-Consolidation and pre-Split common shares at a pre-Consolidation and pre-Split price of \$0.10 per common share for gross proceeds of \$500,000. On February 19, 2016, the Issuer closed a non-brokered private placement of 10,000,000 pre-Split common shares at a pre-Split price of \$0.05 per common share for gross proceeds of \$500,000. On January 20, 2017, the Issuer closed a non-brokered private placement of 24,000,000 post-Split BMC Shares at a post-split price of \$0.06 per BMC Share for gross proceeds of \$1,440,000.

C. Prior Agreements

On March 15, 2012, the Issuer entered into a letter agreement with BCGold Corp pursuant to which BCGold agreed to grant the Issuer an option to acquire up to 70% of its 100% interest in and to 76 mineral claims known as the Toe Property located in Yukon, Canada. The transaction was intended to be the Issuer's Qualifying Transaction. On June 25, 2012, the Issuer announced the proposed transaction was cancelled due to insufficient financing.

On December 6, 2012, the Issuer announced that it has entered into a letter of intent with Eidam Diagnostics Corporation ("**Eidam**"), whereby the Issuer would acquire all of the issued and outstanding securities in the capital of Eidam in exchange for the issuance of BMC Shares. The transaction was intended to be the Issuer's Qualifying Transaction. On October 10, 2014, the Issuer announced that the Issuer and Eidam had mutually agreed to terminate the proposed transaction after the expiry of the due diligence period under the letter of intent.

On May 31, 2017, the Issuer and its subsidiaries, BQ Acquisitionco Corp. and BQ Financeco Corp., entered into an agreement with 1112430 B.C. Ltd. to acquire an operating mine with a development asset located in Europe. The transaction was intended to be the Issuer's Qualifying Transaction. On August 30, 2017, the Issuer announced that it had elected to terminate the transaction as a number of conditions to closing which were required to have been met by July 31, 2017, including acquisition financing, were not met.

Other than the foregoing, the Issuer has conducted no business operations except for the identification and evaluation of potential acquisitions of Significant Assets required to satisfy the conditions for a Qualifying Transaction.

Qualifying Transaction

On February 27, 2018, the Issuer announced that it could acquire up to a 72% interest in the Pangeni Exploration Project. On November 2, 2017, the Issuer entered into a letter agreement as confirmed on February 5, 2018 (the "Property Option Agreement") with Copper Cross Zambia Ltd. ("**Copper Cross**") and its parent company, Manica Zambia Limited ("**Manica Zambia**"), (collectively, the "**Vendors**") pursuant to which the Issuer intends to complete the Qualifying Transaction.

Copper Cross is a wholly owned subsidiary of Manica Zambia. The Pangeni Exploration Project is currently wholly owned by Pangeni Mineral Resources Limited ("**Pangeni**"), subject to an earn-in agreement between Pangeni and Copper Cross (as successor to GrassRoots Copper Ltd.) dated June 12, 2015 (the "**Underlying Agreement**"), pursuant to which Copper Cross has the right to earn an undivided ownership interest of up to 90% in the Pangeni Exploration Project. The rights of Copper Cross and/or any Affiliate of Copper Cross under the Underlying Agreement, together with any ownership interest in the Pangeni Exploration Project acquired pursuant thereto are herein referred to as the "**Copper Cross Interest**". In connection with the Copper Cross Interest, the Vendors are also obligated to make certain payments and fulfill certain other obligations (the "**Antofagasta Obligations**") to Antofagasta Minerals S.A. ("**Antofagasta**") pursuant to a letter agreement between Antofagasta, Copper Cross and Manica Minerals Ltd./Manica Zambia Ltd. dated April 19, 2017.

Under the terms of the Property Option Agreement, the Vendors granted the Issuer the sole and exclusive right and option to acquire a 75% interest in and to the Copper Cross Interest (which, following exercise of the option will give the Issuer a 67.5% indirect interest in the Pangeni Exploration Project) (the "**First Option**"), free and clear of all encumbrances other than permitted encumbrances under Zambian law or the obligations of Copper Cross under the Underlying Agreement and the Antofagasta Obligations. The First Option shall be exercisable by the Issuer during the period commencing upon satisfaction of the conditions precedent (the "**Conditions Precedent**") set out below (the "**Conditions Satisfaction Date**") and ending on the five year anniversary of the Condition Satisfaction Date (the "**First Option Period**").

In order to maintain its right to exercise the First Option, the Issuer shall:

- (a) make a cash payment to Manica Zambia of US\$50,000 forthwith upon satisfaction of the Conditions Precedent (completed);
- (b) issue 100,000 Resulting Issuer Shares to Manica Zambia forthwith upon satisfaction of the Conditions Precedent including Exchange approval of the Qualifying Transaction;
- (c) continue the HSEC Service Agreement with Pangeni at a cost of US\$3,000 per month, for services provided as budgeted in the current year 1 and 2 work plan;
- (d) on or before the first anniversary of the Conditions Satisfaction Date:
 - (i) make a cash payment to Manica Zambia of US\$100,000; and
 - (ii) issue 200,000 Resulting Issuer Shares to Manica Zambia;
- (e) on or before the second anniversary of the Conditions Satisfaction Date:
 - (i) incur or otherwise fund US\$2,500,000 in Exploration Expenditures (or in direct cash payments to Manica Zambia in lieu of Exploration Expenditures or a combination of Exploration Expenditures and cash); and
 - (ii) make a cash payment to Manica Zambia of US\$150,000; and
 - (iii) issue 200,000 Resulting Issuer Shares to Manica Zambia.

In order to exercise the First Option, the Issuer shall:

- (a) on or before the fifth anniversary of the Conditions Satisfaction Date, deliver a preliminary economic assessment for the Pangeni Exploration Project that is in material compliance with the requirements under section 25 of the *Zambian Mines and Minerals Development Act (no. 7 of 2008)*;
- (b) make a cash payment to Manica Zambia of US\$450,000, provided that, at the option of the Issuer, 50% of this payment may be satisfied by the issuance to Copper Cross of BMC Shares; and
- (c) make a cash payment to Manica Zambia of US\$700,000 as an advance royalty purchase payment (the "**Royalty Reduction Payment**"). Forthwith upon receipt of such Royalty Reduction Payment, Manica Zambia will forward such payment to Pangeni in satisfaction of its obligation under the Underlying Agreement to make a "Royalty Reduction Prepayment" (as defined in the Underlying Agreement). The Royalty Reduction Payment is a prepayment of the amount required to reduce the royalty granted to Pangeni under the Underlying Agreement by 0.5%.

All payments, Exploration Expenditures and share issuances required to exercise the First Option may be accelerated and any Exploration Expenditures incurred by the Issuer prior to exercise of the First Option which are in excess of the required Exploration Expenditures to exercise the First Option shall be carried forward and applied as a credit to satisfy Exploration Expenditures required to exercise the Second Option.

Upon making the cash payments, incurring all Exploration Expenditures (or making cash payments in lieu of Exploration Expenditures) and issuing all required BMC Shares referred to above, the Issuer will be deemed to have a vested 75% interest in the Copper Cross Interest and Copper Cross shall forthwith take all such actions and deliver all such documents necessary to exercise its option pursuant to the Underlying Agreement and thereby acquire a 90% ownership interest in the Pangeni Exploration Project, 75% of which interest shall be deemed to be immediately assigned to the Issuer (thereby giving the Issuer a vested 67.5% indirect ownership interest in the Pangeni Exploration Project. Copper Cross shall take all steps necessary to forthwith effect the legal transfer from Copper Cross to the Issuer of such ownership interest and to effect the registration of the Issuer's 67.5% undivided ownership interest in the Pangeni Exploration Project.

Under the terms of the Property Option Agreement, Copper Cross also granted the Issuer the sole and exclusive right and option to acquire an additional 5% interest in and to the Copper Cross Interest (for an aggregate 80% ownership interest in the Copper Cross Interest, which equates to an additional 4.5% indirect ownership interest in the Pangeni Exploration Project (the "**Second Option**"), free and clear of all encumbrances other than permitted encumbrances under Zambian law or the obligations of Copper Cross under the Underlying Agreement and the Antofagasta Obligations by:

- (a) funding preparation of a feasibility study for the Pangeni Exploration Project, in compliance with the *Zambian Mines and Minerals Development Act, 2015*, at any time following exercise of the First Option (the "**Second Option Period**"); and
- (b) making a cash payment to Manica Zambia of US\$750,000 on or before delivery of the final feasibility study referred to in (a) above, provided that, at the option of the Issuer, 50% of this payment may be satisfied by the issuance to Copper Cross of BMC Shares.

Upon delivery by the Issuer of the feasibility study and the cash payment referred to in (a) and (b) above, the Issuer shall be deemed to have a vested 80% ownership interest in the Copper Cross Interest and a

72% undivided ownership interest in the Pangeni Exploration Project and Copper Cross shall take all steps necessary to forthwith effect the legal transfer from Copper Cross of such interest and the legal registration of the Issuer's 72% indirect ownership interest in the Pangeni Exploration Project.

Following exercise of the First Option, the Issuer will proceed to the Second Option Period upon delivery to Copper Cross of notice of its intention to proceed to the Second Option Period, which notice shall not obligate the Issuer to exercise the Second Option, or to incur any Exploration Expenditures, make any cash payments or issue any Resulting Issuer Shares. The First Option Period and the Second Option Period may be terminated at any time prior to exercise of the First Option or the Second Option (as applicable) by the Issuer upon delivery of 30 days notice to Copper Cross. Upon such termination of the Second Option Period, the Issuer shall maintain its 75% ownership interest in the Copper Cross Interest (being a 67.5% indirect ownership interest in the Pangeni Exploration Project).

The Conditions Precedent are as follows:

- (a) All obligations of each of the Issuer, Manica Zambia and Copper Cross under the Property Option Agreement shall be conditional upon receipt by the Issuer of approval by the Exchange of the transactions contemplated thereby. The Issuer shall submit an application to the Exchange for such approval;
- (b) The Issuer's obligation to (i) make the cash payment of US\$50,000 and issue 100,000 Resulting Issuer Shares upon satisfaction of the Conditions Precedent; and (ii) incur the US\$2,500,000 in Exploration Expenditures to be incurred on or before the second anniversary of the Conditions Satisfaction Date shall be subject to:
 - (i) The Issuer being satisfied, in its sole discretion, with the results of due diligence enquiries undertaken by it with respect to the Pangeni Exploration Project, Manica Zambia (and/or any applicable affiliates of Manica Zambia) and Copper Cross, including satisfactory confirmation that all licenses, permits and approvals required to carry out operations on the Pangeni Exploration Project have been duly and validly issued;
 - (ii) The Issuer receiving satisfactory documentation confirming that all of the legal and beneficial rights and interest of GrassRoots Copper Ltd. under the Underlying Agreement (as subsequently assigned to Copper Cross on February 29, 2016) are currently held legally and beneficially by Copper Cross;
 - (iii) The Issuer receiving satisfactory confirmation from Pangeni that Copper Cross is in material compliance with its obligations under the Underlying Agreement and that the Underlying Agreement remains in full force and effect, unamended;
 - (iv) The Issuer receiving satisfactory confirmation from Pangeni that: (a) Pangeni acknowledges and consents to the transactions contemplated by the Property Option Agreement; (b) such transactions will not trigger the right of first refusal requirements under the Underlying Agreement; and (c) such transactions do not constitute a default or breach by Copper Cross under the Underling Agreement; and
 - (v) The Issuer receiving satisfactory confirmation of receipt by Copper Cross of all consents or approvals of governmental authorities and other third parties

necessary to compete the transactions contemplated by the Property Option Agreement, including any consents or agreement by or with Antofagasta.

Pursuant to the Underlying Agreement, Manica Zambia will be the operator for the Pangeni Exploration Project prior to the second anniversary of the Conditions Satisfaction Date and the Issuer or its appointee will commence as operator immediately thereafter. The operator will be entitled to a management fee equal to 5% of Exploration Expenditures. While Manica Zambia is the operator, the Issuer will fund Exploration Expenditures on the Pangeni Exploration Project, as provided in the Property Option Agreement, and Manica Zambia will provide a detailed monthly accounting of all such Exploration Expenditures, or cash payments in lieu, from the Issuer.

Upon satisfaction of the Conditions Precedent, a technical committee (the "**Technical Committee**") will be formed or any existing Technical Committee will be reconstituted with the Issuer having two members, Copper cross having one member and Pangeni having one member as required under the Underlying Agreement. Decisions of the Technical Committee will be by simple majority, with the Issuer having the tie-breaking vote in the event of a tie. The Technical Committee will function until exercise of the Second Option.

The operator shall communicate its exploration program and budget for the Pangeni Exploration Project to the other party on an annual basis. The exploration program shall contain a statement of the proposed operations and estimates of the Expenditures to be incurred. Subject only to the Underlying Agreement, the Issuer will have the final decision on all proposed programs during the First Option Period and the Second Option Period, including programs proposed by Manica Zambia while Manica Zambia is operator.

Subject to the Issuer's obligation as operator to maintain the Pangeni Exploration Project after exercise of the First Option, except for the cash payments of US\$50,000 and issuance of 100,000 BMC Shares following satisfaction of the Conditions Precedent and the US\$2,500,000 in Exploration Expenditures to be incurred on or before the second anniversary of the Conditions Satisfaction Date, all of which are firm obligations of the Issuer (subject only to the Conditions Precedent set out above), the Issuer does not have any obligation to exercise the First Option or the Second Option, or to incur any Exploration Expenditures, make any cash payments or issue any Resulting Issuer Shares.

During the First Option Period and the Second Option Period, Copper Cross shall:

- (a) Comply in all material respects with the terms and conditions of the Underlying Agreement;
- (b) Make all payments, incur all Exploration Expenditures and perform all covenants required under the Underlying Agreement to maintain and exercise the "First Option" and the "Second Option" (each as defined in the Underlying Agreement) in a timely manner and in material compliance with the Underlying Agreement;
- (c) Not consent to any transfer or assignment of the Pangeni Exploration Project or the Property Option Agreement, or any interest therein, by Pangeni, as required by the Underlying Agreement or exercise any right of first refusal arising under the Underlying Agreement, in each case unless the Issuer otherwise consents in writing; and
- (d) Provide the Issuer with a copy of all correspondence received by the Vendors (or any Affiliate thereof) in connection with the Underlying Agreement or the Pangeni Exploration Project.

Upon the exercise of the First Option, a joint venture will be established between the Issuer and Manica Zambia to hold the Copper Cross Interest (the "**Joint Venture**"), with an initial 75% ownership interest for the Issuer and a 25% ownership interest for Manica Zambia, and the parties shall enter into a joint venture/shareholders agreement (the "**Shareholders Agreement**") which shall govern the relationship of Manica Zambia and the Issuer, as shareholders of Newco (as defined below) or Copper Cross, as applicable. The Shareholders Agreement shall include, without limitation, the rights of the Issuer in connection with the Second Option and the other terms and conditions of the Property Option Agreement and the Option Agreement (as defined below) applicable to the Joint Venture.

Subject to the Issuer confirming the optimal structure for the joint Venture, following exercise of the First Option, at the option of the Issuer, either:

- (a) A new corporation ("**Newco**") will be formed to hold the Copper Cross Interest and all related assets and Copper Cross shall forthwith transfer 100% of the Copper Cross Interest to Newco. Upon such incorporation, the Issuer will hold an initial 75% of the shares of Newco and Copper Cross will hold 25% of the shares of Newco; or
- (b) Manica Zambia shall transfer 75% of the issued and outstanding shares of Copper Cross to the Issuer and Copper Cross shall continue to hold 100% of the Copper Cross Interest.

In addition to the above, the Shareholders Agreement will contain other terms and conditions as are customary in the context of similar joint venture arrangements, including, without limitation, provisions addressing the following:

- (a) Following the termination or exercise of the Second Option, any contributions to Newco (which will be for the purposes of permitting Newco to contribute its pro rata portion of funds to any approved program and budget under the Underlying Agreement) shall be contributed by the shareholders pro rata to their respective ownership interests in Newco;
- (b) Within 30 days after adoption of a program and budget by the board of Newco, a shareholder may elect to contribute to such adopted program and budget: (a) fully in proportion to its respective ownership interest in Newco; (b) in some lesser amount than its respective ownership interest in Newco; or (c) not at all;
- (c) If a shareholder elects not to contribute fully to an adopted program, or if a shareholder fails to make a contribution to an adopted program that it has elected to participate in, the ownership interest of the non-contributing shareholder in Newco shall be recalculated in proportion to its total contribution amount; and
- (d) If, following exercise of the First Option or the Second Option, the Issuer (as operator on the Pangeni Exploration Project) does not propose a program and budget for the Pangeni Exploration Project for a period of 18 months following completion of operations under the last program and budget, Manica Zambia shall be entitled to prepare and propose a program and budget for the Pangeni Exploration Project and the Issuer shall be entitled to contribute as set out in (b) above.

Pursuant to the Underlying Agreement, following exercise of the "Second Option" (as defined in the Underlying Agreement), the Pangeni Exploration Project shall be transferred to and directly held by a new corporation (the "**Underlying Newco**") established in accordance with the Underlying Agreement, with 10% of the shares of the Underlying Newco held by Pangeni and 90% of the shares of the Underlying Newco held by either Copper Cross or Newco (which shares shall form part of the Copper

Cross Interest). The relationship of Pangeni and Copper Cross, as shareholders of Underlying Newco, shall continue to be governed by the Underlying Agreement or a shareholders agreement entered into pursuant to the Underlying Agreement.

Manica Zambia intends to transfer and assign all of its direct and indirect right, title and interest in and to the Underlying Agreement, the Pangeni Exploration Project and the Property Option Agreement to Karrek Metals Limited ("**Karrek**"), a newly formed Affiliate of Manica Zambia, incorporated under the laws of BVI, and prior to any such assignment and transfer, Manica Zambia shall cause Karrek to enter into an agreement to be bound to the terms of the Property Option Agreement with the Issuer, in form and substance satisfactory to the Issuer.

Completion of the Qualifying Transaction remains subject to a number of conditions precedent including, completion of the concurrent Private Placement for aggregate proceeds of not less than \$2,240,000 and receipt of all requisite corporate and regulatory approvals.

Private Placement

In conjunction with the Qualifying Transaction, the Issuer will complete the Private Placement of 11,200,000 BMC Shares for gross proceeds of \$2,240,000.

The Issuer will pay aggregate finder's fees of \$81,000 to certain arm's length parties representing 5% of the proceeds raised under the Private Placement from subscribers introduced to the Issuer by the finders.

The proceeds of the Private Placement will be used to advance the exploration on the Pangeni Exploration Project and for working capital purposes, including to conduct due diligence reviews on additional base metals projects.

Other than the foregoing, the Issuer has conducted no business operations except for the identification and evaluation of potential acquisitions of Significant Assets required to satisfy the conditions for a Qualifying Transaction.

Selected Consolidated Financial Information

Since its incorporation, the Issuer has incurred costs in carrying out its initial public offering, in seeking and evaluating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer listed for trading on the Exchange and the NEX.

On February 23, 2017, the Issuer filed a Notice of Change in Year End with the Exchange and with the Alberta and British Columbia Securities Commissions advising that it had determined to change its financial year end from January 31 to December 31.

The following information should be read in conjunction with the Issuer's unaudited interim financial statements, including notes thereto attached as Schedule "B" and audited financial statements, including notes thereto, attached hereto as Schedule "C". The financial results are not necessarily indicative of the results that may be expected for any other period. The Issuer's audited financial statements are presented in Canadian dollars and are prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The following table sets out summary financial information of the Issuer. This information has been summarized from the Issuer's audited consolidated financial statements for the year ended January 31, 2016, the eleven month period ended December 31, 2016, the fiscal year ended December 31, 2017, and

unaudited condensed interim consolidated financial statements for the three month period ended March 31, 2018.

Item	Year ended January 31, 2016 (\$)	Eleven month period ended December 31, 2016 (\$)	Year ended December 31, 2017 (\$)	Three month period ended March 31, 2018 (\$)
Total Expenses	(71,208)	(249,825)	(1,787,790)	(175,084)
Amounts deferred in connection with the Qualifying Transaction	nil	nil	nil	nil

Management's Discussion and Analysis

Management's discussion and analysis for the three months ended March 31, 2018 and the year ended December 31, 2017 provides a discussion and analysis of the financial condition and results of operations to enable a reader to assess material changes in the financial condition and results of operations for the relevant period and are attached to this Filing Statement as Schedule "D". Each MD&A should be read in conjunction with the respective financial statements and notes thereto for the relevant period which are attached to this Filing Statement as Schedules "B" and "C". Such financial statements have been prepared in accordance with IFRS and all amounts included therein and in the MD&A are in Canadian dollars, unless otherwise specified.

Description of the Securities

Common Shares

The Issuer is authorized to issue an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares. As at the date of this Filing Statement and prior to completion of the Transactions, 56,798,577 BMC Shares are issued and outstanding as fully paid and non-assessable and no preferred shares have been issued.

The holders of the BMC Shares are entitled to dividends, if, as and when declared by the BMC Board; to one vote per BMC Share at meetings of the BMC Shareholders; and, upon liquidation, to share equally in such assets of BMC as are distributable to the BMC Shareholders. All BMC Shares outstanding after Completion of the Qualifying Transaction will be fully paid and non-assessable and are not subject to any pre-emptive rights, conversion or exchange rights, redemption, retraction, purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital.

Warrants

As of the date of this Filing Statement and prior to the completion of the Transactions, the Issuer has no share purchase warrants issued and outstanding.

Stock Options

As of the date of this Filing Statement and prior to the completion of the Transactions, there are an aggregate of 5,520,000 BMC Options issued and outstanding.

Stock Option Plan

Pursuant to the Stock Option Plan the BMC Board may, from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants BMC Options to purchase BMC Shares, provided that the number of BMC Shares reserved for issuance, together with those to be issued pursuant to BMC Options previously granted, does not exceed 10% of the issued and outstanding BMC Shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued BMC Shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Other than BMC Options granted to consultants performing investor relations activities which must vest in stages over 12 months with no more than one-quarter of the BMC Options vesting in any three month period, the Stock Option Plan contains no vesting requirements, but permits the BMC Board to specify a vesting schedule at its discretion.

BMC Options are exercisable over periods of up to ten years as determined by the BMC Board and are required to have an exercise price no less than the closing market price of the BMC Shares prevailing on the day that the option is granted. Options held by an officer, director or service provider (not conducting investor relations) expire 90 days or a "reasonable period" after the option holder has left office or the service provider ceases providing services, and for options held by service providers conducting investor relations, 30 days or a "reasonable period" after the Issuer terminates that relationship. In the case of the death of an employee, officer, director or other service provider, the option may be exercised by a personal representative or heir until the earlier of the option's expiry or one year after the option holder died.

Prior Sales

Since the date of its incorporation, the Issuer has issued and/or cancelled the following BMC Shares as follows:

Date	Number of BMC Shares	Issue Price Per BMC Share	Aggregate Issue Price	Consideration Received
February 4, 2008 ⁽¹⁾⁽²⁾⁽³⁾	1	\$ 1.00	\$ 1	Cash
December 8, 2008 ⁽¹⁾⁽²⁾⁽⁴⁾	2,400,000	\$ 0.05	\$ 120,000	Cash
December 9, 2008 ⁽¹⁾⁽²⁾⁽⁵⁾	130,000	\$ 0.10	\$ 13,000	Cash
April 28, 2009 ⁽¹⁾⁽²⁾⁽⁶⁾	400,000	\$ 0.05	\$ 20,000	Cash
March 16, 2010 ⁽¹⁾⁽²⁾⁽⁷⁾	5,000,000	\$ 0.10	\$ 500,000	Cash
June 25, 2012 ⁽¹⁾⁽²⁾⁽⁸⁾	(1,400,000)	\$ 0.10	(\$ 70,000)	N/A
April 23, 2015 ⁽²⁾⁽⁹⁾	(5,597,142)	N/A	N/A	Consolidation
February 12, 2016 ⁽²⁾⁽¹⁰⁾	10,000,000	\$ 0.05	\$ 500,000	Cash
January 4, 2017 ⁽¹¹⁾	21,865,718	N/A	N/A	Split
January 20, 2017 ⁽¹²⁾	24,000,000	\$ 0.06	\$ 1,440,000	Cash

Notes:

- (1) *These common shares are pre-Consolidation BMC Shares;*
- (2) *These common shares are pre-Split BMC Shares;*
- (3) *Incorporator share issued to a director of the Issuer;*
- (4) *Issued to insiders of the Issuer;*
- (5) *20,000 of these BMC Shares were issued to Non-Arm's Length Parties of the Issuer;*
- (6) *Issued to directors of the Issuer;*
- (7) *Represents the common shares issued pursuant to the Issuer's IPO;*
- (8) *The Issuer did not complete its qualifying transaction within the prescribed time frame and thus 1,400,000 pre-Consolidation BMC Shares held in escrow were cancelled, all of which shares had been issued to insiders of the Issuer;*
- (9) *Effective April 23, 2015, the Issuer consolidated its capital on a seven (7) old for one (1) new basis (the "Consolidation");*
- (10) *Private placement offering, 833,333 of which were issued to insiders of the Issuer;*
- (11) *Effective January 4, 2017, the Issuer split its capital on a one (1) old for three (3) new basis (the "Split"); and*
- (12) *Private placement offering, none of which were issued to Non-Arm's Length Parties of the Issuer.*

Stock Exchange Price

The BMC Shares are listed on the NEX Board of the Exchange under the trading symbol "BMET.H". The BMC Shares commenced trading on the Exchange on March 24, 2010. The following table sets out trading information for the BMC Shares for the periods indicated as reported by the Exchange.

Period	High	Low	Trading Volume
July 1–18, 2018 ⁽¹⁾	N/A	N/A	N/A
June 2018 ⁽¹⁾	\$ 0.200	\$ 0.195	347,000
May 2018	\$ 0.210	\$ 0.170	318,584
April 2018	\$ 0.20	\$ 0.160	323,400
March 2018	\$ 0.23	\$ 0.15	4,439,633
February 2018	\$ 0.315	\$ 0.23	417,500
January 2018	\$ 0.285	\$ 0.200	793,326
October 1 – December 31, 2017	\$ 0.275	\$ 0.180	1,896,855
July 1 – September 30, 2017 ⁽²⁾	\$ 0.320	\$ 0.210	770,808
April 1 – June 30, 2017 ⁽²⁾	\$ 0.000	\$ 0.000	0
January 1 – March 31, 2017 ⁽²⁾	\$ 1.000	\$ 0.320	1,287,935 ⁽³⁾
October 1 – December 31, 2016	\$ 1.200	\$ 0.150	213,337 ⁽⁴⁾
July 1 – September 30, 2016	\$ 0.165	\$ 0.130	36,075 ⁽⁴⁾
April 1 – June 30, 2016	\$ 0.155	\$ 0.100	30,930 ⁽⁴⁾

Notes:

- (1) *At the request of the Issuer, trading of its common shares was halted on June 18, 2018. Trading of its common shares is expected to remain halted until completion of the Transactions.*
- (2) *At the request of the Issuer, trading of its common shares was halted on March 1, 2017. Trading of its common shares resumed on September 1, 2017.*
- (3) *56,017 of these common shares are pre-Split BMC Shares.*
- (4) *These common shares are pre-Split BMC Shares.*

Arm's Length Transactions

The proposed Acquisition is not a Non-Arms Length Qualifying Transaction.

Legal Proceedings

The Issuer is neither a party to, nor is any of its property the subject matter of, any legal proceedings, nor are any such proceedings known to the Issuer to be contemplated by any party.

Auditor, Transfer Agent and Registrar*Auditor*

The auditor of the Issuer is PricewaterhouseCoopers LLP, Chartered Professional Accountants of Suite 1400 – 250 Howe Street, Vancouver, British Columbia, V6C 3S7.

Transfer Agent and Registrar

The Transfer Agent and registrar of the Issuer is Computershare Investor Services Inc., of 510 Burrard Street, Third Floor, Vancouver, British Columbia, V6C 3B9.

Material Contracts

The Issuer has not entered into any material contracts since its incorporation, except contracts entered into in the ordinary course of business. Following are the material contracts currently in effect:

- A. Escrow Agreement dated as of December 22, 2009, among the Issuer, Computershare Investor Services Inc. and certain shareholders. See "*Escrowed Securities*".
- B. Transfer Agent and Registrar Agreement dated July 22, 2014, between the Issuer and Computershare Investor Services Inc.
- C. Property Option Agreement dated November 2, 2017 as confirmed February 5, 2018, in respect of the Pangeni Exploration Project.

Copies of these agreements will be available for inspection without charge at the head office of the Issuer located at Suite 3123 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1, during ordinary business hours until the Closing Date and for a period of 30 days thereafter.

INFORMATION CONCERNING THE SIGNIFICANT ASSETS

Business Objective

Upon Completion of the Qualifying Transaction, the business of the Issuer will be that of exploring and developing the Pangeni Exploration Project. The Issuer's interest in the Pangeni Exploration Project pursuant to the Property Option Agreement represents the Issuer's sole material property. In addition, the Issuer will drive its growth strategy towards its goal of becoming a significant base metal producer through the search and appropriate acquisition of other quality exploration, development and production stage base metals projects. This strategy is directed by the Board, key members of which have an extensive, proven track record in delivering considerable value in the mining sector through the discovery and building of mines.

The Pangeni Exploration Project

Overview

The Pangeni Project is located on the western extension of the Zambian Copperbelt underlain by Katangan Supergroup metasediments which are covered by a thin veneer of Kalahari sands. The Sentinel, open pit, Copper Mine is operated by First Quantum Minerals some 130 kilometres to the northeast of the Pangeni Project. A number of other major international mining companies have identified this region of the Zambian Copperbelt to be prospective for the discovery of tier one copper mines and are conducting exploration field work.

Filing of NI 43-101 Technical Report

The Issuer commissioned African Mining Consultants Ltd. to prepare the Technical Report regarding the Pangeni Exploration Project for the Issuer in a form consistent with National Instrument 43-101 Standards of Disclosure for Mineral Projects. Allan Lines, P.Geo., one of the Authors of the Technical Report, is a "qualified person" as defined in NI 43-101 and is independent of the Issuer. Thomas Krebs, Pr.Sci.Nat., who authored item 2.6 of the Technical Report, is a "qualified person" as defined in NI 43-101 and is independent of the Issuer. John Wilton, who co-authored items 1-11 and 13-24 of the Technical Report, is a "qualified person" as defined in NI 43-101 and is not independent of the Issuer. The following information regarding the Pangeni Exploration Project has been summarized from and is qualified in its entirety by the Technical Report. The disclosure in this Filing Statement has been prepared with the consent of the Authors and in most cases, is a direct extract of, and is qualified in its entirety by the disclosure contained in the Technical Report, a copy of which is available under the Issuer's profile on the SEDAR website at www.sedar.com, and is qualified in its entirety by the Technical Report.

Property Description and Location

The Property is situated in the Manyinga District of North-Western Province, Republic of Zambia. The Property is located approximately 255km west of the established mining district centred on the town of Solwezi (See Fig. 4:1 below).

The Property is centred on a latitude of 12°43'S and longitude of 24°00'E.

The Property consists of the one large-scale exploration licence 19310-HQ-LEL. The licence is an irregular shaped polygon having 72 corner points giving a total surface area for the permit of 575.68km². Prior to exploration activities the licence was surveyed in accordance with Zambian legislative

requirements. This has been verified by the Authors of the Technical Report by examining a copy of the pegging certificate supplied by personnel of the Issuer.

The dimensions of the Property are approximately 26km (east–west) by 22km (north–south). Information on surface area, grant and expiry dates, title holder and permitted substances was confirmed by the author on the website of the Flexicadastre (<http://portals.flexicadastre.com/zambia>) which presents mineral registry data for all mineral permits in the Republic of Zambia. Corner coordinates have been verified by the author from a copy of the licence certificate supplied by personnel of the Issuer.

Exploration licence information for the Property	
Permit Type	Large-Scale Exploration Licence
Permit Number	19310-HQ-LEL
Title Holder	Pangeni Mineral Resources Limited
Holding	100%
Status	Active
Date of Application	25/10/2013
Date Granted	18/06/2014
Expiry Date	18/06/2018
Substances	Co, Cu, Au, Pb, Zn
Surface Area (km2)	575.68km2



Fig. 4.1: Property location map (Source: RES, 2018).

Property Ownership

Pangeni Mineral Resources Limited ("**PMRL**" or "**Licence Holder**") is the 100% owner of the Large-Scale Exploration Licence No.19310-HQ-LEL ("**the Property**") issued by the Ministry of Mines and Minerals Development, Zambia.

PMRL entered into an Earn-In Agreement with Copper Cross Zambia Limited ("**CCZ**") dated 12th June, 2015. The terms of this agreement provide for CCZ to earn rights to 90% interest in the Property through funding US\$ 2.7 million in exploration expenditures, delivering a technical study, and making cash payment of US\$ 700,000.

Approximately US\$ 1,463,000 of the US\$ 2.7 million has already been invested by to date in a joint venture with Antofagasta Minerals.

BeMetals Corp ("**BeMetals**") has secured the rights to earn a 72% interest in the Property through a binding letter, earn-in and option agreement with CCZ and Manica Zambia Limited, dated 2nd November, 2017. CCZ is a wholly owned subsidiary company of Manica Zambia Limited. Manica Zambia Limited and CCZ are hereafter defined as the "Vendors." Through these rights BeMetals can initially acquire a 67.5% interest in the Property over a five-year period by expending US\$2.5 million on exploration, incurring cash payments of US\$1.45 million and issuing 500,000 shares, and delivering a preliminary economic assessment for the project. Following acquisition of the initial 67.5% interest, BeMetals can acquire an additional 4.5% (aggregate 72%) interest in the project by completing a feasibility study and making a further cash payment of US\$750,000.

At the mine development phase, and following a feasibility study, a once-off milestone payment would be payable, based upon total proven and probable mineral reserves, as follows: US\$2 million if less than 500kt contained copper, US\$3 million if the contained copper is between 500kt and 1,000kt, and US\$6 million if greater than 1,000kt contained copper.

Upon commencement of production PMRL is entitled to a 1% Net Smelter Royalty following the royalty reduction payment, determined by an internationally recognised valuator, which is not to exceed US\$3.3 million.

Large Scale Exploration Licence ("**LEL**") – 19310-HQ-LEL remains in good standing and an application for renewal has been submitted by PMRL in line with the regulations of the Mines and Minerals Development Act, 2015, six months prior to the next renewal. CCZ and PMRL drafted all required technical and administration documents required for the renewal. PMRL, CCZ and BeMetals expect renewals to be issued in line with the provisions of the Mines and Minerals Development Act, 2015. In the unlikely event a licence renewal was not to be granted, and following designated appeal process, the company could lose its interest in the property.

In Zambia all rights for exploring and mining minerals are vested in the State. Prospecting must be carried out under a mining right granted under the Mines and Minerals Act No 11 of 2015, and issued by the Ministry of Mines and Mineral Development. Under the Mines and Minerals Act LELs are valid for a maximum period of 10 years and issued initially for 4 years with two subsequent renewals of 3 years. The two renewals include 50% licence area reduction. All exploration licences remain in good standing if the formal renewal date is exceeded until anytime when there is written notification of the offer letter to renew the licence from the Ministry of Mines and Minerals Development.

Copper mines in Zambia are subject to a royalty payable to the state of; 4 per cent when the norm price is less than US\$4,500 per tonne, 5 per cent when the norm price is US\$4,500 per tonne or more but less than US\$6,000 per tonne; and 6 per cent when the norm price is US\$6,000 per tonne or more.

Surface rights are governed by the Lands Act, chapter 184 of the Laws of Zambia. The property falls within customary tenure surface rights as with approximately 90% of the area of Zambia. The Mines and Minerals Development Act provides that the surface rights holder has to give written consent to a holder of a mining right to exercise any rights over their land. In instances when written consent is required, it should not be unreasonably withheld. The Senior Chief has provided a customary signed letter of consent for access to mineral exploration of 19310-HQ-LEL, and he is regularly updated with progress of the field activities.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

There are international airports at Lusaka (the capital city of Zambia) and Ndola which are easily accessible by commercial flights from neighbouring countries. There is a regional airport at Solwezi, the closest urban centre to the Property. Solwezi can be reached by air from Lusaka and Ndola with daily scheduled flights. In addition, the use of charter aircraft is common. There is a serviceable airstrip at Kabompo town.

The principal road links to the Property are the T5/D286 or the M8/D286 tar roads from the town of Solwezi to Mwinilunga or Kabompo towns respectively. Solwezi can be reached from Ndola by the T5/T3 highways, tar-surfaced roads suitable for heavy goods vehicles throughout the year. From Ndola there are highway links to the Tanzanian, Zimbabwean and Botswana borders, which are the principal crossings for the import and export of goods to and from the North-Western Province. Most mineral exports pass through Solwezi, Chingola, Kitwe and Ndola bound for ports in South Africa (via road) or Tanzania (via road, or rail link - from the Zambian town of Kapiri Mposhi). Principal roads within the Property are gravel or laterite covered. These roads are serviceable in the dry season which is typically May to December.

The closest major rail links to the Property are in the towns of Chingola and Ndola. From Ndola there are rail links to the Tanzanian and Zimbabwean borders. The service is sporadic owing to both the condition of the rails and rail beds and the reliability of the locomotives and supplementary rolling stock.

Physiography and Climate

The Property is situated on the Central African Plateau, on gently undulating topography at an elevation of 1,250m above mean sea level.

The principal water courses within the Property are the Kabompo, West Lunga, Manyinga, and Dongwe rivers. These are perennial and flow in a southerly direction eventually flowing into the Zambezi River.

The landscape consists of relatively flat to gently undulating miombo forest¹ covered plains, interspersed with open grass covered phreatic dambos or marshy wetland areas which hold semipermanent water.

¹ Miombo is the vernacular word for *Brachystegia*, a genus of tree comprising a large number of tree species together with *Julbernardia* species in woodlands.

The miombo forest is common throughout Zambia and in the North-Western Province. Dambos and floodplains occur scattered throughout the site and often contain some riparian forest along the river banks.

The region has distinct dry and wet seasons from May to October and November to mid-April respectively. Rainfall averages between 1,100-1,400 mm per year, and rainfall of 1,500 mm per annum can be expected one year out of five. Annual temperatures range from winter minima of 6°- 10°C to maxima of 25°-34°C (winter to summer months) peaking just prior to the onset of the rains. Mean annual humidity is consistently very high in the rainy season but <40% in the dry season.

Operating seasons are typically from May to December annually

Local Resources and Services

Solwezi is an emerging mining centre, which has experienced recent growth in economic activity in the last few years associated with large-scale mining and mineral processing activities at the Kansanshi, Lumwana and Sentinel mines. At the Kansanshi mine, a copper smelter has recently been constructed which is operated by First Quantum Minerals Limited (FQML). A growing medium sized service sector supports this mining activity. Due to Zambia's history as a mining-dominated economy there is a large, skilled and semi-skilled, workforce with experience in mining.

Local Infrastructure

The Property is currently isolated from public infrastructure. As many as four cellular phone network providers provide coverage across the North-Western Province in proximity to urban centres. Satellite phone coverage is currently required for the Property. There are no established settlements on the property, occasional nomadic settlements can be found along the Manyinga river.

Principal roads within the Property are gravel or laterite covered roads. These roads are serviceable in the dry season typically May to December. Temporary tented camp sites have been used for the exploration programs conducted to date. Water sources include the local river systems. Potable water has been brought into the tented camps for human consumption.

History

The Mwinilunga Mines Division (a division from Roan Selection Trust (RST)) prospected the Property from 1958 to approximately 1964. Very little historical data is retrievable from Government archives with respect to the amount and quantity of work completed. Stream sediment surveys were followed by soil sampling and pitting in several localities. RST typically focused on geochemical anomalies proximal to vegetation clearings. They delineated several geochemical anomalies within the Property with the M49/B anomaly being the most significant (See Fig. 6:1 of the Technical Report). Samples from pits excavated southwest of the M49/B clearing were found to be anomalous in copper.

As far as is known, little exploration work was conducted over the Property subsequent to this until, in the early 2000s Phelps Dodge carried out limited geochemical sampling and pitting that returned unconfirmed copper anomalies in pit grab samples and in soil samples proximal to M49/B.

MGB Mining Limited held a large-scale exploration licence covering the Property in 2008. No previous exploration data or reports have been located for this period of tenure as of the effective date of the Technical Report.

No drilling programs have been reported for the Property prior to 2016. No mineral resource estimates, mineral reserve estimates, or historic production have been reported for the Property at the effective date of the Technical Report. There are no known records of expenditures of previous (prior to 2015) owners of the licence area available with the Ministry of Mines and Minerals Development.

Geology Setting

Regional Geology

The Property lies within the western segment of the Lufilian Arc² in the Domes Region (Section 7.2.2) (Porter GeoConsultancy, 2018), comprising Neoproterozoic Katangan meta-sediments that host the bulk of the copper-cobalt occurrences within the Central African Copperbelt (CACB) (Fig. 7:1 of the Technical Report).

The CACB metallogenic province is frequently divided into two distinct districts: the Zambian Copperbelt (ZCB) and the Congolese (or Katangan) Copperbelt (CCB) (Hitzman., 2005). The stratigraphic succession for the ZCB is displayed in Fig. 7:2 of the Technical Report.

The Zambian Copperbelt (ZCB)

The Katangan sedimentary group overlies a composite basement, consisting of older, multideformed and metamorphosed, intrusions that are mostly of granitic affinity, and supracrustal metavolcanics-sedimentary sequences of the Lufubu Metamorphic Complex in Zambia (Selley et al., 2005). This basement is mainly Paleoproterozoic in age (~2.05 to 1.82 Ga) and forms inliers within, and marginal, to the Lufilian Arc.

The Lufubu Metamorphic Complex rocks are unconformably overlain by the Muva Group, a supracrustal metasedimentary sequence of conglomerates, orthoquartzites and metapelites that are assumed to be Mesoproterozoic in age (~1.3 to 1.05 Ga)(Selley et al., 2005).

In the ZCB, the 4 to 10km thick, Neoproterozoic Katanga Supergroup (~880 to ~530 Ma) comprises the Lower Roan Group, the Upper Roan Group, the Mwashya Group and the Lower and Upper Kundelungu Groups. These sequences are thought to have been deposited within relatively restricted, fault controlled, northwest-southeast elongated intracontinental rift basins, occurring as horsts and half-grabens. These rift basins were the result of northeast-southwest directed extension, flanking a northwest-southeast trending basement high, now reflected by the younger Kafue Anticline (Porter GeoConsultancy, 2018).

The Lower Roan Group commences with the Mindola Clastics Formation, a variable sequence most commonly up to ~150 to 240m thick, composed of an oxidised suite of interbedded conglomerates, arenites, quartzites and lesser argillites. At the main deposits of the ZCB, it represents the footwall sequence, and contains a basal conglomerate that varies from a few tens of metres, to near 1200m thick on the northern margin of the Kafue Anticline, east of the Konkola and Nchanga Deposits (Porter GeoConsultancy, 2018).

Depositional centres were subsequently linked along principal faults, marking a transgression, reflected by the deposition of local finer facies of the Copperbelt Orebody Member, the basal unit of the Kitwe

² The Lufilian Arc is part of a system of orogenic belts in southern Africa formed during the Pan-African orogeny, a stage in the formation of the Gondwana supercontinent. It extends across eastern Angola, the Katanga Province of the southern Democratic Republic of the Congo and the northwest of Zambia. The Arc is approximately 800km long.

Formation. The Copperbelt Orebody Member (commonly referred to as the "Ore Shale", Porter GeoConsultancy, 2018) represents the culmination of early rift-stage extension and the first marine incursion within the Katanga basin in the Zambian Copperbelt. The unit is commonly 15 to 35m thick. It comprises carbonaceous and/or dolomitic siltstones, argillites, thin dolostones and fine sandstones, and hosts the bulk of the ore in the principal deposits of the Zambian Copperbelt (e.g. the Chambishi, Konkola, Luanshya, Mindola, Nchanga and Nkana Deposits).

The Upper Roan Group, comprises laterally extensive mixed shallow marine to lagoonal carbonate rocks and generally finer grained siliciclastic rocks with abundant evaporitic textures and mainly stratabound chaotic breccia (interpreted to represent the dissolution of evaporites). The sequence varies considerably in thickness, from <30 to 800m, and is characterised by metre-scale, laterally extensive cycles of upward-fining, sandstone, siltstone, dolomite, algal dolomite and local anhydrite.

The Upper Roan Group in Zambia is overlain across either a conformable transition, or an evaporate-facilitated breccia-detachment, by the 150 to 650m thick Mwashya (or Mwashia) Group, emplaced within a deepening marine setting. This sequence commences with a lower suite of reef to intertidal clastic carbonate rocks, mainly arenitic dolostone with lesser argillaceous dolostone. The Lower Mwashya is only poorly developed in Zambia (Porter GeoConsultancy, 2018).

The overlying succession is divided into upper and lower sequences, the Upper Kundelungu Group and older Lower Kundelungu Group (Nguba Group) at the base. These are mainly clastic sequences separated by tillites (or diamictites). The lower diamictite (locally known as the "Grand Conglomerate" Porter GeoConsultancy, 2018) is the host to the Kamo Deposit in the Democratic Republic of the Congo (Broughton and Rogers, 2010). The diamictites are interpreted to be associated with Sturtian glaciations (~720Ma to 740Ma).

The Domes Region (West)

The Domes Region, which forms a broad arcuate trend, extends from the Angolan border, to obliquely intersect and overprint the Kafue Anticline in the east. Basement, in the form of the domal cores, acted as buttresses during the Lufilian orogeny. The western Domes Region (Fig. 7:3 of the Technical Report) is interpreted as a series of antiformal thrust stacks, developed above mid-to-lower crustal ramps, which are separated from the overlying Katangan Supergroup sediments by a major decollement (Bernau et al., 2012).

The Katangan meta-sedimentary rocks, surrounding Kabompo Dome, include a basal sequence of sandstones, siltstones, and conglomerates, grading up into a mixed siliciclastic-carbonate-evaporite sequence. These sediments have been extensively altered and modified to quartz-feldspar-phlogopite schists, dolomites, and talc-kyanite schists. The sequence is frequently capped by the Grand Conglomerate (Porter GeoConsultancy, 2018).

The setting of the Cu (\pm Co \pm U) mineralisation described at the Lumwana Deposit (Bernau et al., 2012) is in contrast to the widely reported Lower Roan-hosted deposits of the ZCB. The metamorphic grade of the host rock to the mineralisation, strong fabric development, transitional nature of contacts between gneiss and ore-schists and intercalations of ore-schist and slivers of gneissic basement suggest the deposit is hosted in basement to possible Lower Roan stratigraphy.

The Sentinel Deposit is hosted within the structurally thickened carbonaceous meta-pelitic rocks interpreted as part of the Mwashya Group (FQML, 2015).

Project Geology

The Property is located on the south-western segment of the Kabompo Dome in the western extension of Domes Region (Fig. 7:3 of the Technical Report). The local geological interpretation includes several northeast-southwest striking geophysical domains which are bounded by interpreted thrusts or decollements (RES, 2018) (Fig. 7:4 of the Technical Report).

Stratigraphic Sequence

Geophysical interpretations suggest a complete stratigraphic sequence may be present locally, from Paleoproterozoic basement, overlain by interpreted Katangan Supergroup sequences, up through to the Lower Kundelungu (or Nguba) Group (RES, 2018) (Fig. 7:4 of the Technical Report).

Field mapping of the Property suggests a stratigraphic sequence may be present locally, from Paleoproterozoic basement, overlain by interpreted Katangan Supergroup sequences (RES, 2018; Sparrow, 2015) (Fig. 7:4 of the Technical Report). The independent Author of the Technical Report noted that no Lower Kundelungu Group sequences were observed in outcrop during 2015-2016 field programs. This is likely a result of Kalahari Group cover masking the bedrock geology.

The geology in the southeast of the Property is dominated by Paleoproterozoic basement sequences, that have been mapped in the field as a series of well-foliated schists and gneisses with variable quartz, feldspar, biotite, muscovite, kyanite (accessory) and garnet contents. Typically, these units exhibit a strong metamorphic and structural fabric and in places have boudinaged amphibolites incorporated within them.

To the northwest of the Property, northeast-southwest striking geophysical domains have been interpreted as Neoproterozoic Katangan Supergroup lithologies of the Lower and Upper Roan Groups overlain by the Mwashya Group. The units of the Lower Roan Group comprise red to pale yellow psammites with preserved sedimentary features in places. The Upper Roan Group comprise fine-grained grey pelites, pelitic schists and calcareous schists (Sparrow, 2015; RES, 2016). The lithological correlations are interpreted from limited outcrop and may represent other stratigraphic units within the Katangan. Future exploration drilling will determine, and confirm, definitive stratigraphic correlations.

Overlying these sequences is the Kalahari Group. The Kalahari Group typically consists of un- to semi-consolidated quartzitic sands, with pervasive metre to tens of metres-thick benches of ferricretes and silcrettes (Sparrow, 2015). The sands are aeolian deposits (Key et al., 2001).

Structure

The Pre-Katangan and Katangan sequences exhibit different levels of deformation across the Property, with structural orientations typical for this part of the Domes Region (RES, 2018). Basement units are intensely folded and sheared, with foliation possessing a preferred orientation towards the southeast on average.

Outcrop-scale tight folds are typically recumbent to gently inclined with axial planes dipping towards the southeast. Stretching lineations and rotational/kinematic microstructures suggest a main tectonic transport direction towards the northwest (RES, 2018). Shear zones, within the basement, interpreted from drill-intersected mylonitic units, dip south to southeast. Thrust-repeated Katangan sequences within the basement in the central parts of the Property are interpreted along multiple northeast-southwest oriented shear zones.

In the northwest of the Property, Roan Group sequences commonly exhibit lower-levels of deformation in comparison to the basement. The Upper Roan and Mwashya Groups exhibit steep to shallow-dipping foliation towards the northwest.

Interpretations of airborne magnetics, and the orientation of mapped foliation, indicate possible basement domal structures within the central part of the Property (axial plane oriented northeast-southwest) plunging towards the northeast with the stratigraphy younging towards the northwest away from the fold core (RES, 2018). A later second fold generation, F2 (relatively open, with axial planes oriented approximately north-south), affects the Pre-Katangan and Katangan sequences across the Property. These folds re-fold F1 folds and foliation and have resulted in locally undulating foliation. The F2 folds are most observable in the northern parts of the Property where rock exposure is most common.

Exploration

Exploration activities on the Property were completed by the Vendor from 2015 to date in a joint venture with Antofagasta Minerals consisting of an airborne geophysical survey, geological mapping, and geochemical sampling. Exploration activities, qualifying as exploration for the purpose of the Issuer's Qualifying Transaction occurred from 2015 to date. A total of approximately US\$1,463,000 of expenditures have been completed on the Property by CCZ since 2015 in a joint venture with Antofagasta Minerals.

Remote Exploration Services ("**RES**"), a geological consulting company, conducted the field exploration activities. All such exploration activities and expenditures are reported by PMRL to the Ministry of Mines and Minerals Development in Zambia through required quarterly and annual submissions. All field exploration activities and reporting of field work with results documented in the Technical Report were either carried out, or supervised by, RES personnel. All exploration activities were completed prior to the execution of the option agreement involving the Issuer as detailed in Section 4 of the Technical Report.

Prior to commencement of field exploration in 2015, data acquisition and geological interpretations were completed. This work comprised the collation of the following:

- Geological maps (at various scales) obtained from the Zambian Geological Survey archives;
- Shuttle Radar Topographic Mission (SRTM) 1 Arc-Second Global digital terrain elevation data at a spatial resolution of approximately 30m and supplied by USGS as 1 degree GeoTIFF tiles (<https://earthexplorer.usgs.gov>);
- Landsat 8 ETM+ imagery (<https://earthexplorer.usgs.gov>); and
- Mineral occurrence data (USGS, 2017).

The collated data were used to identify potential outcrop, historical mineral occurrences and the extent of Kalahari Group cover.

Exploration Work

Grids and Surveys

All surveys to date are in UTM co-ordinates, using the ARC1950 projection, Zone 35S.

In 2015, a topographic survey, as part of an airborne magnetic-radiometric survey, was flown over the Property, resulting in the production of a digital terrain model accurate to $\pm 5\text{m}$.

Geophysics

A fixed-wing airborne geophysical survey was completed over the Property in 2015. Geophysical data collection included magnetic, radiometric and elevation data. The survey area consisted of approximately 4,264 flight line-km. The survey contractor was Xcalibur Airborne Geophysics, South Africa. The survey was completed in August 2015 (Xcalibur, 2015). The following table lists survey parameters as follows:

Airborne geophysical survey parameters (Source: RES, 2018)	
Parameter	Description
Line Direction:	150 - 330° with respect to UTM Zone 35S coordinate system
Tie Line Direction:	60 - 240 ° with respect to UTM Zone 35S coordinate system
Ground Clearance:	35 metres (hazard dependant)
Line Spacing:	150 metres
Tie Line Spacing:	1500 metres
Sample Spacing:	Magnetics: 4m; Radiometrics 40m.

The data was processed using the various industry-standard filtering techniques to aid in exploration.

Geological Mapping

Two phases of geological mapping were completed across the Property during the periods October-November 2015 and August-September 2016.

In 2015, geological mapping of the Property was performed by an independently-contracted geologist, Mr. Robbie Sparrow (FGS). The geological mapping resulted in a series of 1:10 000 scale outcrop maps (Sparrow, 2015) that were subsequently integrated with regional geological maps to augment initial geophysical interpretations.

In 2016, additional geological mapping was completed by Mathew Hodge (Pr.Sci.Nat) and Luke Viljoen (Pr.Sci.Nat) of RES across the Property proximal to detected geochemical anomalies.

Geochemical Sampling

Geochemical sampling programs were designed to initially identify vectors to mineralisation. The programs included stream sediment, soil and termite mound sampling. Programs were constrained to areas where Kalahari Group cover was considered to be no more than 40m in thickness (Section 9.2.1 of the Technical Report).

Two phases of geochemical sampling were completed over the Property during the periods 2015 and 2016. The 2016 sampling program was designed to investigate targets derived from geophysical interpretations and historical geochemical copper occurrences (Section 6 of the Technical Report). A total of 6,036 samples were collected. The sampling methods are reported in Section 11.1.1 of the Technical Report. A summary of the soil sampling program is detailed in the table below.

Summary of geochemical samples collected during 2015/2016 on the Property. Geochemical samples were analysed by a combination of portable XRF (PXRF) (2827 samples) and ICP-OES (4907 samples) (Source: RES, 2018)					
2015 Sample Type	Line spacing (m)	Sample Spacing (m)	Samples Collected	QA/QC Samples	Total
Grid (soil)	500	80	1688	115	1803
Dambo (sediment)	n/a	500	342	29	371
Regional (soil)	1000	80	694	75	769
Termite (soil)	n/a	n/a	81	0	81
Interest (soil)	n/a	n/a	22	1	23
		Sub-Total	2827	220	3047
2016 Sample Type	Line Spacing (m)	Sample Spacing (m)	Samples Collected	QA/QC Samples	Total
Regional	1200	80	1348	75	1423
Grid	600	40	1861	101	1962
		Sub-Total	3209	177	3385

The rationale for the planned sample locations can sub-divided into the following domains:

- Grid (soil) samples were situated over geophysical/historical geochemical anomalies and within the 40m Kalahari Group (Kalahari Cover) isopach, termite mounds within grids were sampled;
- Dambo (stream sediment) samples situated along dambo drainages in order to test for regional copper anomalism;
- Regional (soil) samples were collected as traverses across the license area within the 40m Kalahari sediment cover isopach;
- Termite mounds (soil) were selectively sampled across Property; and
- Interest (soil) samples were to be collected to test historical geochemical anomalies.

Mineralization

There is no known outcropping mineralisation on the property. All information pertaining to mineralisation for the Property is derived from the results of the 2016 drill program and supporting studies (Section 10 of the Technical Report).

Hypogene copper mineralisation (chalcopyrite and lesser bornite) has been reported in all drill holes between depths of 40m and 220m. Mineralisation is recorded over widths of typically 1–6m. Typically it occurs in strongly foliated, locally mylonitic, quartz-biotite-muscovite-scapolite (\pm kyanite) schists (Fig. 7.5 of the Technical Report) interpreted as the potential equivalent to the "ore-schists" at the Lumwana Deposit (Bernau et al., 2012). These schists are intercalated within gneissic sequences.

Copper mineralisation dominantly occurs as chalcopyrite with lesser bornite, with chalcopyrite and bornite also commonly occurring as stringers, blebs, and to a lesser extent salvages within quartz \pm carbonate veins (Fig. 7.5 of the Technical Report). A significant amount of chalcopyrite and bornite is foliation-parallel and stretched due to shearing (analogous to observations from the Lumwana Deposit, Bernau et al., 2012). Copper mineralisation is associated with weakly anomalous concentrations of Co, Mo, Ni, Zn, Sc and V.

Medium to coarse mm to cm scale blebs of kyanite alteration have been identified in drill core. The occurrence of kyanite alteration may correlate with copper mineralisation. Kyanite alteration intensity does not appear related to copper grade. Petrographic studies suggest that kyanite is extensively replaced by scapolite (RES, 2017).

Scapolite alteration has been observed in drill core. This alteration is pervasive, forming significant centimetre scale bands with no observed lithological preference or association with mineralisation. Pervasive, and often intense, sericite alteration is extensive in drill core from the southwest of the Property. It can be often found associated with quartz \pm carbonate veining.

Both albite and silica alteration is observed in the core drilling from Central and Southwest Targets. Albite alteration intensity does not appear to be directly related to copper mineralisation (RES, 2018).

Drilling

No drilling programs have been reported for the Property prior to 2016.

Drilling on the Property was completed by the Vendor in 2016 in a joint venture with Antofagasta Minerals and results provided a proof of concept from the core drilling program. Drilling activities, qualifying as exploration for the purpose of BeMetals Qualifying Transaction, occurred in 2016. A total of approximately US\$1,463,000 of expenditures have been completed on the Property by CCZ from 2015 to date in a joint venture with Antofagasta Minerals.

A core drilling program was completed in November 2016. The drilling contractor was Blurock Mining Services, Kitwe, Zambia. Core was obtained using wire-line methods. The drilling program, and all procedures, were implemented and supervised by RES personnel. All exploration activities were completed prior to the execution of the option agreement involving the Issuer as detailed in Section 4 of the Technical Report.

Core holes were used for reconnaissance exploration and geochemical anomaly investigation. Five (5) exploration drill holes were completed (Tables 10.1 and 10.2 of the Technical Report). A total of 1,005.10m were drilled. The Central and South West Target areas were tested (Fig. 9:3 of the Technical Report).

Drill hole collar position for the Property (positions are provided in Arc1950)							
Hole ID	ARC 1950				Azimuth	Inclination	Depth (m)
	Northing	Easting	Latitude (S)	Longitude (E)			
CT1	8598067	183336	12°40'00.55"	24°05'05.66"	320	-65	224.60
CT2	8598565	183321	12°39'44.35"	24°05'05.34"	320	-65	125.70
CT3	8598197	183658	12°39'56.44"	24°05'16.37"	320	-60	218.50
SW1	8585671	170102	12°46'38.65"	23°57'42.71"	320	-60	220.70
SW2	8585187	168998	12°46'53.97"	23°57'05.95"	330	-60	215.60

Summary of drill hole core diameters and metres drilled				
Target	Hole Number	HQ (m)	NQ (m)	Total (m)
Central Target	CT1	69.40	155.20	224.60
	CT2	59.30	66.40	125.70
	CT3	41.80	176.70	218.50
	Sub-total	170.50	398.30	568.80
South West Target	SW1	77.80	142.90	220.70
	SW2	62.80	152.80	215.60
	Sub-total	140.60	295.70	436.30
Total		311.10	694.00	1005.10

Sampling and Analysis

Sampling Methods

Geochemical Sampling

Soil samples were collected from the B-horizon depth (approximately 10cm depth) as 2–5 kg samples, and the sample location points were recorded using a hand-held GPS. Coordinates, site characteristics and geological observations were recorded at each site and electronically captured into the project database.

Dambo and termite samples were collected using the same methodology as for the soil sampling programs.

Core Sampling

Sample intervals were determined from visually estimated Cu-sulphide abundance with barren intervals sampled if within a wider higher-grade zone. Sample length intervals varied from 0.5- 1.5m, with 1m intervals being typical. Sample intervals respected lithological and alteration boundaries.

Core samples were split along the absolute orientation line or alternatively along a relative orientation line. Each half-core piece was labelled with the relevant sample number prior to sampling. For consistency, the right half (looking down the hole) was sampled. Samples were individually double-bagged with a unique sample number tag placed in each bag.

QAQC samples were inserted by RES personnel (see Section 12 of the Technical Report). All sample bags were placed in a single uniquely labelled polyethylene woven sack. Sealed sample sacks were submitted to Intertek-Genalysis, Chingola in Zambia for sample preparation.

Analytical and Test Laboratories

Two independent laboratories were used for sample analysis. The laboratories are independent of BeMetals Corp., CCZ/Manica Zambia and PMRL and the Property as independence is described by Section 1.5 of NI 43-101. For geochemical soil sampling, Scientific Services CC, Cape Town, South Africa (ISO 9001.2015 registered) was used. Intertek-Genalysis, Perth, Australia (part of the Intertek Group Plc) completed the analysis of core samples. Intertek-Genalysis, Australia is ISO 17025 accredited (see Appendix 2 of the Technical Report).

Sample Preparation and Analysis

Geochemical Samples

Geochemical samples were transported to the appropriate mobile field-camp for drying and sieving to -180µm. An appropriate subsample was selected from the sieved sample, and the subsamples were placed into paper sachets for laboratory dispatch. Replicate and duplicate samples were inserted alternately every 10 samples by RES personnel. Samples were packaged in sealed batches of 100 according to sample number ticket books used and dispatched to RES, South Africa for analysis.

In 2015, 2,827 soil samples were initially analysed by a portable XRF (PXRF). Prior to analysis samples were further sieved and screened to -90µm.

In 2016, to enhance analysis detection limits, four consignments of samples were sent to Scientific Services CC, for ICP-OES analyses. Batches 1 and 2 included geochemical samples collected during 2015 programs. Batches 3 and 4 included geochemical samples collected during 2016 programs (see the table below).

Summary of geochemical samples submitted to Scientific Services for ICP-OES analysis				
Geochemical Analysis Method	ICP-OES (Batch 1)	ICP-OES (Batch 2)	ICP-OES (Batch 3)	ICP-OES (Batch 4)
Geochemical Samples	651	796	1481	1979
CRM's	14	18	37	39
Blank Samples	24	17	16	20
Laboratory Duplicates	11	18	31	41
Scientific Services CC Blank Samples	-	9	21	20
Sub-Total	700	858	1586	2099

For all geochemical samples, a 0.5 g subsample was taken from the pulps, and digested using a strong acid digestion (HClO₄:HNO₃). Samples were analysed for Cu, Co, Ni, Pb, Zn, ±Mo, ±Sc using ICP-OES.

Core Samples

Core samples were submitted to Intertek-Genalysis, Chingola, Zambia for sample preparation. Initially 4-5kg samples were crushed, homogenised, and split using a riffle splitter. A 1.2kg split sample was then pulverised and homogenised. A 50g sub-sample was prepared by Intertek-Genalysis for dispatch to Intertek-Genalysis, Australia for ICP-OES analysis. The coarse rejects, as well as the pulp rejects, are stored by CCZ in Kitwe, Zambia.

Half-core reference samples are stored in plastic core trays in a secure lockable storage facility in Kitwe, Zambia.

Diamond drill hole samples from 2016 were analysed for 33 elements on a 0.2g subsample of the pulp using a four-acid digest (Intertek-Genalysis method 4A/OE).

Summary of core samples submitted to Intertek-Genalysis for ICP-OES analysis	
Geochemical Analysis Method	ICP-OES (Method 4A/OE)
Drill Samples	307
CRMs	16
Blank Samples	15
Laboratory duplicates	17
Total	355

Quality Assurance and Quality Control (QAQC)

Geochemical Samples (ICP-OES Analysis)

Geochemical samples, submitted in 2015 and 2016, have been conducted in accordance with satisfactory industry-standard practices with blank, duplicate and a range of Certified Reference Material (CRM) samples inserted at an average rate of between 5-7%.

All blank control samples were below the certified values and detection limits for all elements. Returned blank sample values demonstrate that contamination has been adequately controlled during sample preparation. The inserted CRM's have highlighted acceptable laboratory accuracy. Most CRM assayed values were within two standard deviations of the certified values verifying the precision of the primary laboratory. The inserted pulp duplicates highlight good precision between pairs of samples with more than 90% of the returned sample pair values been within 10% of the original sample value.

Core Samples (ICP-OES Analysis)

Core samples submitted in 2016 have been conducted in accordance with satisfactory industry-standard practices with blanks, duplicates and a range of Certified Reference Materials (CRMs) samples each inserted at an average rate of 5%.

With regards to inserted blank samples, 13 out of 15 samples reported above certified levels. These results indicate contamination of samples at the sample preparation facility (RES, 2018). All analytical laboratory inserted internal blanks fell below the detection limit. These inconsistencies are not critical to the analysis of results and the results can be used for reporting of early-exploration drill results.

The inserted CRM's have highlighted acceptable laboratory accuracy. Most CRM assayed values were within two standard deviations of the certified values verifying the precision of the analytical laboratory.

A good correlation is observed for both the repeat and lab duplicate sample pairs. The coarse crush duplicate sample pairs show no significant variation and therefore the sample preparation method is repeatable and representative.

Databases

Project data are stored in various digital files. Geological logs, collar, and down hole survey data were hand-entered and are stored in the project database. The project database is stored on a secured server at the RES offices, Cape Town, South Africa.

Security of Samples

Sample security included a chain-of-custody procedure that consists of filling out sample submittal forms that are sent to the laboratory with sample shipments to make certain that all samples are received by the laboratory. Prepared samples were shipped to the analytical laboratory in sealed sacks that are accompanied by appropriate paperwork, including the original sample preparation request numbers and chain-of-custody forms.

Paper and scanned records are kept for all assay and QAQC data, geological logging and down-hole and collar coordinate surveys

Mineral Resources and Mineral Reserves

No mineral resource estimates, mineral reserve estimates, or historic production have been reported for the Property at the effective date of the Technical Report.

Exploration and Development

Results of Exploration Programs

Geophysics

The magnetic and radiometric data (Fig. 9:1 of the Technical Report) was processed to assist with interpretation. The following filters were applied to the contractor-supplied Total Magnetic Intensity (TMI) aeromagnetic data:

- Reduction-to-the-pole (RTP) of the TMI
- First Vertical Derivative of the RTP (1VD)
- Second Vertical Derivative of the RTP (2VD)
- Analytical signal of the RTP (AS)
- Tilt derivative of RTP (TDR)
- Total horizontal derivative of the RTP (THD)
- Gaussian residual frequency filters were applied to each of the above so as to further improve on anomaly resolution.

The detailed outcrop mapping and geochemical sampling (Sections 9.2.2 and 9.2.3 of the Technical Report) enhanced the interpretations of geophysical data in terms of lithological and stratigraphic coding. The main results from the geophysical interpretations are:

- Depth analysis, using 2D Euler deconvolution, was completed on a number of profiles, to derive a Kalahari Group depth profile. Depth estimates were considered an important aspect of the geochemical data interpretations (Section 9.2.2 of the Technical Report).
- Significant structures, related to basin paleo-topography (e.g. normal, transverse, thrust), were interpreted (Fig. 7:4 of the Technical Report);

- Magnetically-evident lithological units and larger domains were polygonised; and
- A litho-stratigraphic map was compiled by geologically coding the mapped magnetic units and domains, based on regional stratigraphy mapped on the Property (Fig. 7:4 and Section 9.2.2 of the Technical Report).

Geological Mapping

The significant results from the mapping programs are as follows:

- The Property is interpreted to be underlain by sub-cropping late-Palaeozoic basement and Neoproterozoic Katangan Supergroup sequences (Sparrow, 2015; RES, 2016).
- Scapolite alteration was observed in outcropping biotite-quartz-scapolite schists. Elsewhere, this has been interpreted as indicative of potential alteration associated with regional-scale mineralising systems (Selley et al., 2005). No copper oxide or sulphide mineralisation was observed during the mapping exercises.
- Mapping data was integrated with geophysical interpretations to produce conceptual geological cross-sections with targets for drill testing (Section 9.2.4 of the Technical Report).

Geochemical Sampling

Geochemical results were dominated by regolith and reclassified by standard deviation intervals. The results from the geochemical sampling programs have confirmed the work completed by RST (Section 6 of the Technical Report).

Eight (8) additional geochemical exploration targets (in addition to confirming the three RST targets) were delineated using copper, cobalt and indicator element (Mo, Pb, Zn, Ni) geochemical signatures (Table 9.3 and Fig. 9:2 of the Technical Report).

The most significant geochemical results are reported in areas where the Kalahari Group cover is least significant (Fig. 9:2 of the Technical Report).

Two targets (the Central and South West Targets) were tested by the 2016 drilling program (Section 10 of the Technical Report).

Summary targets generated from 2015/2016 geochemical datasets		
Geochemical Target	RST Target	Potential Target Stratigraphy / Structure
PAN-001 / PAN-002		Interpreted contact between Lower Kundelungu and Mwashya Groups. Possible domain bounding structural setting.
PAN-003		Upper Roan and Mwashya Group contact.
PAN-005 / PAN-009		Lower Roan Group - basal contact (?). Contact of interpreted thrust duplex.
PAN-007 / PAN-008 / Central / South West	M49/B and M49/K/JS	Basement
PAN-006	M49/L/C.WT.	Edge of basement

Summary targets generated from 2015/2016 geochemical datasets		
Geochemical Target	RST Target	Potential Target Stratigraphy / Structure
PAN-004		Lower Roan Group / antiformal structure interpreted

Procedures

Geological Logging

Industry-standard logging methods, sampling conventions and geological codes were established for the project. Descriptions of colour, mineralogy, texture, lithology, regolith, oxidation, alteration and mineralisation (mineralogy, form, visual estimates) were completed. Structural features such as bedding, foliation, fold axial planes, joints, veins, and faults were measured for both geological and geotechnical purposes. All data, including photographic records, were digitised and stored in the project database.

All core was photographed, both wet and dry. Subsequent to core cutting and sampling, the core was re-photographed. The sampling methods are reported in Section 11.1.2 of the Report.

Core Handling

RES personnel and Blurock drill operators ensured core trays were labelled correctly. Subsequent to each drill run, core blocks were inserted and marked with depths (m), approximate core loss or gain, and recovery. Core was washed prior to placement in core trays.

Trays were marked with the target name, drill hole identity number, the intersection interval (start and final depths in that box), an arrow indicating which direction is down-the-hole, and a sequential box number.

Any break in the core made during removal from the barrel was marked with an "x" on the core. When breakage of the core was required to fill the box, edged tools were used, and the end of every run was marked.

Recovery

Core recovery and rock quality designation (RQD) were recorded. All data was digitised and stored in the project database. Drill core recovery averaged 80% in the weathered horizons and 99% in fresh rock. Overall average core recovery was 90%.

Core inspections by AMC personnel (Section 12.2.4 of the Technical Report) documented the core recovery to be satisfactory.

Collar Surveys

Individual drill hole collar positions and elevations were captured using a handheld Garmin GPS. Collar coordinates were captured in ARC1950 Datum and UTM 35S coordinate system.

Downhole Surveys

In order to monitor the consistency and deviations in drill hole orientation, multiple downhole surveys were conducted for all drill holes using a Reflex EZ Shot (electronic single shot magnetic survey tool).

The downhole surveys were completed at 25m and all data was digitised and stored in the project database.

Orientated Drill Core

All drilled core was oriented for each 3m drill run by the drilling contractor using the Reflex ACT II RD Orientation tool.

Oriented core runs (and broken core pieces) were aligned utilising the orientation marks provided by the Reflex ACT II RD system. These core pieces were marked according to the confidence in orientation, with different orientation marks only within 10° of each other to be considered aligned.

A solid continuous line, drawn using a permanent marker, represents high confidence orientations, whilst low confidence was marked as dashed lines. Down hole half-ticks were marked on each core piece to ensure the core remained oriented during transport and handling.

Petrographic Studies

A selection of thirty-three (33) drill core samples were submitted for petrographic study. Thin sections and polished sections were prepared for both transmitted light and reflected light microscopy. RES completed the petrographic study.

Results & Interpretations

The Central Target was drill tested by three (3) holes over 350m in strike length. Mineralised horizons dip locally at 40 to 50 degrees, in a south-easterly direction, generally parallel to the dominant foliation.

The South West Target was drill tested by 2 holes. The drill holes are separated by a distance of 1.2km. Mineralised horizons dip locally at 40 to 50 degrees, in a south-easterly direction, generally parallel to the dominant foliation.

The most significant copper intercepts are detailed in the table below. Drill core sample results are presented in schematic down-hole log sheets (Figs 10.2-10.6 of the Technical Report).

Significant drill intercepts from the 2016 drilling programs				
Hole Id	From (m)	To (m)	Width (m)	TCu%
CT1	39.0	45.1	6.10	0.34
CT1	146.5	147.0	0.50	1.17
CT1	160.0	161.5	1.50	0.62
CT3	34.6	35.2	0.62	0.40
CT3	176.0	182.0	6.00	0.35
SW1	121.5	126.0	4.50	0.30
SW1	142.5	148.0	5.50	0.48
SW2	112.1	114.1	2.00	0.28

Notes:

- *The results detailed above are for selected mineralised intersections >0.5m in length, >0.1%TCu in grade and allowing for up to 1m of internal dilution.*

- *AMC cautions that true widths have not been determined as the level of detail needed to calculate accurate true widths is not yet available. As a result, down hole widths have been reported. The true widths are not expected to significantly change from the down hole widths described.*

Copper assay values show the highest downhole concentrations in schistose-mylonitic units although not all of the units are mineralised. The hanging-wall and intercalated gneiss units are essentially devoid of copper mineralisation. This is analogous to observations from studies at the Lumwana Deposit (Bernau et al., 2012).

Additional observations include:

- Hypogene copper minerals logged are chalcopyrite and bornite. The mineralisation is typically both disseminated, blebby and along foliations with less frequent mineralisation contained in quartz \pm carbonate veinlets;
- Chalcopyrite is additionally present in late cross-cutting quartz \pm carbonate veins (Fig. 7.6d) possibly representing late remobilisation of chalcopyrite;
- There is evidence that the sulphide minerals underwent stretching during, syn-orogenic, shearing and migration into pressure shadows (analogous to observations in the Mwombezhi Dome, Sillitoe et al., 2015); and
- Copper mineralisation is associated with weakly anomalous concentrations of Co, Mo, Ni, Zn, Sc and V (Fig. 10.1 of the Technical Report).

Recommendations

The independent Author of the Technical Report has reviewed and supports the proposed next step for an exploration program across the Property as provided by the Issuer.

The next phase of exploration work will include the drilling of air-core boreholes (approximately 40-50m deep) to test for potential mineralised extensions to the Central and Southwest Targets, under Kalahari Group cover. In addition priority targets, identified during previous exploration programs, are to be tested (Section 9, Fig. 9.2 of the Technical Report).

An orientation air-core program will be completed to test the applicability of this technique in this specific area, the program totalling approximately 2,400m.

The budget is summarised below.

Air-core Program Phase 1 (Orientation Survey):

Project Management, Licence Fees, HSEC, Administration	US\$ 76,000
Air-core drilling, field geological and logistical support	US\$ 195,000
Air-core sample analysis, QAQC and results interpretation	US\$ 29,000
Total	US\$ 300,000

The results from the above program will be integrated into the current geological interpretation. Based upon an assessment of applicability of this drilling method in the area and results from aircore

geochemical sampling further exploration will be motivated as appropriate. Further, the independent Author of the Technical Report recommends:

- All future geochemical and drill program sample analysis should include multi-element analysis, in particular for As, Ba, Bi, Co, Mo, Pb, U, V, and Zn.
- During future exploration campaigns, contracted sample preparation laboratories will need to be adequately briefed with respect to the standard operating procedures for equipment and laboratory cleanliness to ensure minimal cross-contamination between samples. This is particularly important should future mineral resource estimations be required for the Property.

INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

Name and Incorporation

In connection with the Completion of the Qualifying Transaction, it is intended that the Resulting Issuer will continue operating its business under the BCBCA under the name BeMetals Corp. and continue to be a reporting issuer in British Columbia and Alberta. The Resulting Issuer's head office will be located at Suite 3123 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and its registered office will be located at Suite 2500 – 700 West Georgia Street, Vancouver B.C. V7Y 1B3

Intercorporate Relationships

The Resulting Issuer, as at the issuance of Final Exchange Bulletin, will have two wholly-owned subsidiaries, namely BQ Acquisitionco Corp. and BQ Financeco Corp., both of which companies were incorporated under the BCBCA on April 27, 2017.

Narrative Description of the Business

Business Objectives

The Issuer expects to use available funds to conduct the proposed work program on the Pangeni Exploration Project as recommended in the Technical Report. In order to satisfy its obligations under the Property Option Agreement, the Issuer also anticipates generating sufficient cash flow from further sale of its common shares. The Pangeni Exploration Project will be the Resulting Issuer's material property and the business of the Resulting Issuer will be that of exploring and developing the Pangeni Exploration Project. See "*Information Concerning the Significant Assets*". In addition, the Resulting Issuer will drive its growth strategy towards its goal of becoming a significant base metal producer through the search and appropriate acquisition of other quality exploration, development and production stage base metals projects. This strategy is directed by the Board, key members of which have an extensive, proven track record in delivering considerable value in the mining sector through the discovery and building of mines.

Milestones

The Issuer must make periodic option payments and expend a certain amount of funds for the Pangeni Exploration Project in order to keep the Property Option Agreement in good standing.

To accomplish the Resulting Issuer's stated business objectives, it is believed that the Resulting Issuer will need to accomplish the following milestones:

Implement a program of approximately 2,400m of aircore drilling to test the applicability of the drilling technique in this specific area, identify geochemical anomalies that could represent extensions to the Central and Southwest targets, and test some of the priority targets from previous exploration programs. Based upon an assessment of applicability of this drilling method in the area and results from aircore geochemical sampling further exploration will be motivated as appropriate.

Also the Resulting Issuer will use working capital to conduct due diligence reviews on additional base metals projects with the aim of identifying and securing further high quality, value accretive exploration, development and productions stage projects.

The foregoing list is not exhaustive of the steps that the Resulting Issuer needs to take to be successful going forward and achievement of the foregoing milestones shall not guarantee success. Please see "*Risk Factors*".

Exploration and Development for Resulting issuers with Mineral Projects

The Issuer will explore and develop the Pangei Exploration Project according to the recommendation in the Technical report. Please see "*Information Concerning the Significant Assets – Recommendations*".

Description of the Securities

Resulting Issuer Shares

The share structure of the Resulting Issuer will be the same as the share structure of the Issuer and the rights associated with each Resulting Issuer Share will be the same as the rights associated with each BMC Share. Accordingly, the Resulting Issuer will be authorized to issue an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares. See "*Information Concerning the Issuer – Description of Securities*" above.

On Closing, it is expected that there will be 68,098,577 Resulting Issuer Shares issued and outstanding as fully paid and non-assessable. See "*Information Concerning the Issuer – Qualifying Transaction*" and "*Information Concerning the Issuer – Private Placement*" above.

Pro Forma Consolidated Capitalization

The following table sets out the pro forma share and loan capital of the Resulting Issuer after giving effect to the Acquisition, as at the issuance of the Final Exchange Bulletin, assuming completion of the Private Placement, and should be read in conjunction with the pro forma financial statements for the Resulting Issuer attached as Schedule "A" to this Filing Statement:

Designation of Security	Amount Authorized	Amount Outstanding After Giving Effect to the Transactions
Resulting Issuer Common Shares	Unlimited	68,098,577 ⁽¹⁾⁽²⁾
Resulting Issuer Preferred Shares	Unlimited	Nil

Notes:

- (1) *Including 11,200,000 Resulting Issuer Shares to be issued pursuant to the Private Placement.*
- (2) *Including 100,000 Resulting Issuer Shares to be issued to the Vendors forthwith upon Exchange approval of the Qualifying Transaction.*

Fully Diluted Share Capital

The following table sets out the number and percentage of Resulting Issuer Shares which will be issued upon Completion of the Qualifying Transaction on a fully diluted basis after giving effect to the Transactions:

	Number of Common Shares Outstanding	Percentage of Diluted Common Shares Outstanding
Resulting Issuer Shares held by current BMC Shareholders	56,798,577	76.74%
Resulting Issuer Shares to be issued to the Private Placement subscribers	11,200,000	15.13%
Resulting Issuer Shares reserved for issuance to stock option holders under the Stock Option Plan ⁽¹⁾	5,520,000	7.46%
Resulting Issuer Shares to be issued to the Vendors upon Closing	100,000	0.13%
Resulting Issuer Shares reserved for issuance to the Vendors	400,000	0.54%
Total Common Shares outstanding on fully diluted basis	74,018,577	100.00%

Note:

- (1) The Issuer currently has 5,520,000 options outstanding. Please see "Part III – Information Concerning the Resulting Issuer – Options to Purchase Securities".

Other than as disclosed above, no other securities will be outstanding which are convertible into, or exchangeable for, Resulting Issuer Shares following the completion of the Transactions.

Available Funds and Principal Purposes

The Resulting Issuer is expected to have approximately \$1,793,908 in working capital available upon Completion of the Qualifying Transaction. The Resulting Issuer is expected to use the funds available to it in furtherance of its stated business objectives which are summarized in the table appearing below.

Sources of Funds:	Estimated Amount (\$)
Estimated working capital deficiency of the Issuer as at June 30, 2018	(446,092)
Gross proceeds from the Private Placement	2,240,000
Total:	1,793,908
Uses of Funds:	
Estimated costs related to the Transactions	165,000
Cash payment to Vendors upon Closing	Nil ⁽¹⁾
Cash payment to Vendors within the next 12 months	131,680 ⁽²⁾
Property exploration and development for the next 12 months	460,880 ⁽³⁾
General operating and administrative expenses for the next 12 months	600,000
Unallocated working capital to fund ongoing operations	436,348
Total	1,793,908

Notes:

- (1) US\$50,000 cash payment was advanced in March 2018.
- (2) Represents US\$100,000 based on the indicative exchange rate on June 29, 2018 as reported by the Bank of Canada for the conversion of US dollars into Canadian dollars being US\$1.00 equals CDN\$1.3168.
- (3) Represents US\$350,000 based on the indicative exchange rate on June 29, 2018 as reported by the Bank of Canada for the conversion of US dollars into Canadian dollars being US\$1.00 equals CDN\$1.3168.

The Resulting Issuer will spend the funds available to it upon completion of the Private Placement to carry out exploration and development of the Pangen Exploration Project as recommended in the Technical Report. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Resulting Issuer to achieve its stated business objectives. See "*Information Concerning the Significant Assets – Recommendations*"

Dividends

There will be no restrictions in the Resulting Issuer's articles or elsewhere which would prevent the Resulting Issuer from paying dividends subsequent to the completion of the Transactions. It is not contemplated that any dividends will be paid on the Resulting Issuer Shares in the immediate future following the Completion of the Qualifying Transaction, as it is anticipated that all available funds will be invested to finance the growth of the Resulting Issuer's business. The BMC Board will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time. All of the Resulting Issuer Shares are entitled to an equal share in any dividends declared and paid. See "*Forward-Looking Statements*".

Principal Securityholders

It is not anticipated that any Person will own of record or beneficially, directly or indirectly, or exercise control or direction over, more than 10% of the Resulting Issuer Shares following the completion of the Transactions other than:

Name of Shareholder and Municipality of Residence	Number of Shares After Giving Effect to the Transactions	Percentage of Issued and Outstanding After Giving Effect to the Transactions ⁽¹⁾
Clive Johnson Vancouver, British Columbia	7,850,000	11.53%

Notes:

- (1) Based on 68,098,577 Resulting Issuer Shares being issued and outstanding.
- (2) Mr. Johnson would own 12.49% assuming the exercise of 750,000 Resulting Issuer Stock Options.

Directors, Officers and Promoters

The following is a list of proposed officers and directors of the Resulting Issuer, their municipalities of residence, their proposed positions with the Resulting Issuer, principal occupation during the past five years and number and percentage of Resulting Issuer Shares which will be beneficially owned, directly or indirectly, or over which control or direction will be exercised, by each of the Resulting Issuer's directors, officers and promoters following the Closing.

Name, Address, Occupation and Security Holdings

Name and Municipality of Residence	Position or Office to be held with the Resulting Issuer⁽¹⁾	Principal Occupation During Past 5 Years	Date first became a director of the Issuer	Number and Percentage of Resulting Issuer Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly⁽²⁾
John Wilton Penzance, United Kingdom	President, CEO and a Director	President and CEO of the Issuer; Former Exploration Consultant to Manica Minerals and Regional Exploration Manager (Africa) of Antofagasta Plc.	February 26, 2018	150,000 common shares 0.22% of issued and outstanding
Clive T. Johnson Vancouver, British Columbia, Canada	Director	CEO, President and a director of B2Gold Corp., a Vancouver based gold producer	December 9, 2016	7,850,000 common shares 11.53% of issued and outstanding
Tom Garagan Vancouver, British Columbia, Canada	Director	Senior Vice-President of Exploration of B2Gold Corp., a Vancouver based gold producer	December 9, 2016	3,950,000 common shares 5.80% of issued and outstanding
Roger Richer Vancouver, British Columbia, Canada	Director	Executive Vice-President, General Counsel and Secretary of B2Gold Corp., a Vancouver based gold producer	December 9, 2016	3,750,000 common shares 5.51% of issued and outstanding
Kristen Reinertson Vancouver, British Columbia, Canada	CFO, Corporate Secretary and a Director	VP Corporate Finance of Fiore Management & Advisory Corp., a private financial advisory firm	May 11, 2018	30,000 common shares 0.04% of issued and outstanding

Notes:

- (1) *The term of office of each director of the Resulting Issuer will expire at the next annual general meeting of the shareholders of the Resulting Issuer.*
- (2) *Percentages shown are based on 68,098,577 Resulting Issuer Shares issued and outstanding immediately following the Completion of the Qualifying Transaction.*

As of the Closing of the Transactions, officers and directors of the Resulting Issuer will own, as a group, directly or indirectly, 15,730,000 Resulting Issuer Shares, representing 23.10% of the then issued and outstanding Resulting Issuer Shares on an undiluted basis.

Pursuant to National Instrument 52-110, the Resulting Issuer is required to have an Audit Committee of its board of directors. The proposed members of the Audit Committee will be Roger Richer, Tom Garagan and Clive T. Johnson.

Management

John Wilton (age: 49, President, CEO and a Director)

Mr. Wilton has been the President, CEO and a director of the Issuer since February 2018. From 2010 until 2017 he was the Regional Exploration Manager: Africa for Antofagasta Minerals and was responsible for all of the company's exploration and business activities in Africa. Prior to that, Mr. Wilton's career highlights include:

- In 1990 he joined Anglovaal Limited based in South Africa with roles in exploration, feasibility projects and business development for precious and base metals. During this time he was involved in a number of projects that lead to mine development and numerous international project assessments.
- In 1998 he moved to Namibia and was a principal member of both the discovery and resource development teams of what is now the Otjikoto Gold Mine, operated by B2 Gold. Later he was a co-recipient of the Henno Martin Medal, awarded by the Geological Society of Namibia, for his role in the discovery.
- He was also intrinsically involved, as the exploration manager, in the 2005 IPO of TEAL Exploration & Mining Incorporated ("TEAL") onto the TSX as a listing of the Namibia, Zambia and DRC exploration and development assets of African Rainbow Minerals. He served as TEAL's exploration manager until 2010.
- Since 2005, he has been focused on base metal exploration, including the Central African Copperbelt, and worked with a number of internationally recognized researchers.

Under Mr. Wilton's leadership and the Board's direction the Resulting Issuer will develop its exploration of the Pangeni Exploration Project and drive its growth strategy towards its goal of becoming a significant base metal producer. Mr. Wilton will manage the business of the Resulting Issuer, and implement its growth strategy. This will include directing the exploration of the Pangeni Exploration Project, identifying other high quality business opportunities, conducting due diligence reviews of such properties, and when appropriate build the management team.

Mr. Wilton graduated with BSc Honours in geology from the University of Newcastle upon Tyne. He will remain an employee of the Resulting Issuer and will devote 100% of his time to the business and affairs of the Resulting Issuer.

Clive T. Johnson (age: 61, Director)

Mr. Johnson is a founder of B2Gold Corp. and has served as a Director and the President since December 2006 and Chief Executive Officer since March 2007. Previously, Mr. Johnson was a founder and President and Chief Executive Officer of Bema Gold from 1988 to 2006. He was a driving force in Bema's transition from a junior exploration company to an international intermediate gold producer. Mr. Johnson will advise the Resulting Issuer's directors and management on business strategies and financings.

Tom Garagan (age: 60, Director)

Mr. Garagan has served as Senior Vice President of Exploration of B2Gold Corp. since March 2007. Mr. Garagan is a geologist with over 30 years of experience. Mr. Garagan was with Bema Gold from 1991 to

2007 and was appointed Vice President of Exploration in 1996. He has worked in North and South America, East and West Africa and Russia. Mr. Garagan is and has served as a director and/or officer of several other public companies operating in the resource sector. Mr. Garagan has a Bachelor of Science (Honours) degree in geology from the University of Ottawa.

Roger Richer (age: 65, Director)

Mr. Richer has served as the Executive Vice President, General Counsel of B2Gold Corp. since March 2007 and Secretary since December 2006. He manages the legal affairs, corporate records and corporate governance of B2Gold Corp. Mr. Richer has over 30 years of experience in mining law, corporate finance and international business transactions and practices. He has served as a director and/or officer of several other public companies operating in the resource sector. He has a Bachelor of Arts and a Bachelor of Law degree from the University of Victoria.

Kristen Reinertson (age: 38, Chief Financial Officer, Corporate Secretary and a Director)

Ms. Reinertson has 10 years experience in corporate administration and financial advisory services in the natural resource sector through her role as VP Corporate Finance of Fiore Management & Advisory Corp. She specializes in assisting Canadian public companies with their financial and continuous disclosure obligations and regulatory compliance and has been CFO and Corporate Secretary of multiple TSXV-listed companies. Ms. Reinertson studied at Simon Fraser University and British Columbia Institute of Technology. She will devote approximately 20% of her time to the business and affairs of the Resulting Issuer.

Promoter Consideration

There is no Person that will be considered a promoter of the Resulting Issuer, nor has any Person acted as promoter of the Issuer within the past two years.

Corporate Cease Trade Orders or Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer or shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is or has, within the past 10 years, been a director, officer or promoter of any Person or company 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 other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that Person.

Penalties or Sanctions

No proposed director, officer or promoter of the Resulting Issuer or shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer or a personal holding corporation of such Persons is or has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions proposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about the Transactions.

Personal Bankruptcies

No proposed director, officer or Promoter of the Resulting Issuer or shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding corporation of such Persons is or has, within the past 10 years, become bankrupt, made a proposal under bankruptcy or insolvency legislation 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 the directors, officers, Insiders and Promoters of the Resulting Issuer may be subject in connection with the operations of the Issuer. All of the directors, officers, Insiders and Promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by the Issuer for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where all of the directors, officers, Insiders and Promoters will be in direct competition with the Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

Other Reporting Issuer Experience

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

Name	Name and Jurisdiction of Reporting Issuer	Position(s) Held	Term (From/To)
John Wilton	TEAL Exploration & Mining Incorporated	Exploration Manager	2005 - 2010
Clive T. Johnson	B2Gold Corp. B2Gold Corp. Uracan Resources Ltd.	President & Director CEO Director	12/2006 – present 03/2007 – present 01/2007 – present
Tom Garagan	B2 Gold Corp. Uracan Resources Ltd. Uracan Resources Ltd.	Senior Vice-President of Exploration Director VP Exploration	03/2007 – present 07/2006 – present 03/2007 – present
Roger Richer	B2Gold Corp. B2Gold Corp. RavenQuest BioMed Inc.	Executive Vice President and General Counsel Secretary Director	03/2007 – present 12/2006 – present 04/2008 – 09/2017
Kristen Reinertson	HIVE Blockchain Technologies Ltd. Lithium X Energy Corp. Uracan Resources Ltd.	Corporate Secretary CFO & Corporate Secretary Corporate Secretary	08/2017 – present 04/2013 – 11/2015 01/2004 – 03/2018

Executive Compensation

The following disclosure of executive compensation is made in accordance with the requirements of Exchange Form 3B2.

Definitions:

"CEO" means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

"CFO" means an individual who acted as chief financial officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

"equity incentive plan" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*.

"incentive plan" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

"incentive plan award" means compensation awarded, earned, paid, or payable under an incentive plan;

"NEO" or **"named executive officer"** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, Form 51-102F6, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

"non-equity incentive plan" means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

"option-based award" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

"plan" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

"share-based award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

Compensation Discussion and Analysis

It is anticipated that the Resulting Issuer will implement an executive compensation strategy consisting of base salary, the granting of stock options from time to time under the Resulting Issuer's Stock Option Plan, and the eligibility to receive bonus payments as determined by the Board. This strategy will be established with a view to attracting and retaining executives critical to the Resulting Issuer's short and

long-term success and to continue providing executives with compensation that is in accordance with existing market standards generally and competitive within the mining industry, in particular. Through its executive compensation practices, the Resulting Issuer will seek to provide value to its shareholders through strong executive leadership.

Within the context of the overall objectives of the Resulting Issuer's compensation practices, its Board will determine the specific amounts of compensation to be paid to its executives during the next 12 months based on a number of factors including the executive's performance during the fiscal year, the roles and responsibilities of the executive, the individual experience and skills of, and expected contributions from, the executive, the executives' historical compensation and performance within BMC, and any contractual commitments the Resulting Issuer has made to its executives regarding compensation.

The Board has not conducted a formal evaluation of the implications of the risks associated with the Resulting Issuer's proposed compensation policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board does not believe that its compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Resulting Issuer.

Option Based Awards

The Issuer has in effect a stock option plan in place which will be adopted by the Resulting Issuer (the "**Resulting Issuer Stock Option Plan**") in order to provide effective incentives to directors, officers and senior management personnel and consultants of the Resulting Issuer and to enable the Resulting Issuer to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Resulting Issuer's Shareholders. In determining option grants to the Named Executive Officers, the Board of Directors together with management will take into consideration factors that include the amount and exercise price of previous option grants of the Issuer, the NEO's experience, level of expertise and responsibilities, and the contributions of each NEO towards the completion of corporate transactions in any given fiscal year.

Use of Financial Instruments

It is anticipated that the Resulting Issuer will not have a policy that would prohibit a Named Executive Officer or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director. Management of the Issuer is not aware of any Named Executive or director purchasing such an instrument.

Summary Compensation Table

The following table sets out the anticipated compensation of the Named Executive Officers of the Resulting Issuer for services in all capacities to the Resulting Issuer for the 12 months following completion of the Transactions.

NEO Name and principal position (a)	Salary (\$) (b)	Share-based awards (\$) (c)	Option-based awards (\$) (d)	Non-equity incentive plan compensation (\$)		Pension value (\$) (f)	All other compensation (\$) (g)	Total compensation (\$) (h)
				Annual incentive plans (e1)	Long-term incentive plans (e2)			
John Wilton ⁽¹⁾ CEO, President and a Director	266,667 ⁽²⁾	Nil	129,123 ⁽³⁾⁽⁵⁾	Nil	Nil	Nil	Nil	395,790
Kristen Reinertson ⁽⁴⁾ CFO, Corporate Secretary and a Director	Nil	Nil	Nil ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) *John Wilton has served as the Chief Executive Officer, President and a director of the Issuer since February 26, 2018.*
- (2) *Effective February 1, 2018, the Issuer entered into an employment agreement with John Wilton regarding his employment as the President of the Issuer at a salary of US\$170,000 per annum.*
- (3) *In connection with his appointment, Mr. Wilton was granted 2,250,000 stock options exercisable at a price of \$0.24 per share until February 27, 2028 and have the following vesting provisions: 250,000 on date of grant (February 27, 2018), 750,000 on February 1, 2019, 750,000 on February 1, 2020, and 500,000 on February 1, 2021. The next 12 month amount represents the fair value of the 750,000 options that vest on February 1, 2019 using the Black-Scholes option pricing model assuming an average expected life at the date of grant of 8 years, a risk free interest rate of 1.00%, a nil dividend yield, and an expected annualized volatility of 75%.*
- (4) *Kristen Reinertson has served as the Chief Financial Officer and Corporate Secretary of the Issuer since December 9, 2016 and as a Director of the Issuer since May 11, 2018.*
- (5) *It is anticipated that during the 12 months following completion of the Transactions, stock options may be granted under the Resulting Issuer Option Plan to the Resulting Issuer's directors and officers, at the discretion of the Board of Directors of the Resulting Issuer.*

Incentive Plan Awards

It is anticipated that from time to time stock options will be granted under the Resulting Issuer Option Plan to provide an incentive to the participants, to achieve the longer-term objectives of the Resulting Issuer, to give suitable recognition to the ability and industry of such Persons who contribute materially to the success of the Resulting Issuer; and to attract and retain Persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Resulting Issuer.

Director Compensation

Upon completion of the Transactions, the directors of the Resulting Issuer will determine how much, if any, compensation will be paid to directors for services rendered to the Resulting Issuer by them in that capacity. Such incentives may be in the form of an annual director's fee and/or in the form of incentive stock options pursuant to the Resulting Issuer's Stock Option Plan.

Indebtedness of Directors and Officers

As of the date of this Filing Statement, no director, executive officer or senior officer, and no proposed management nominee for election as a director of the Resulting Issuer or any associate thereof, has been

indebted to the Issuer or any of its subsidiaries, or is expected to be indebted to the Resulting Issuer following the completion of the Qualifying Transaction.

Investor Relations Arrangements

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

Options to Purchase Securities

Stock Options

As at the date of this Filing Statement, the Issuer has an aggregate of 5,220,000 incentive stock options outstanding. The Issuer expects to grant stock options to purchase an additional Common Shares to its directors, officers, employees and consultants at the discretion of the Resulting Issuer's board of directors or the compensation committee in the months following the Completion of the Qualifying Transaction. Upon completion of the Transactions, the outstanding Resulting Issuer Options will be held under the Stock Option Plan by:

Group / Other Optionee	Number of Options
All proposed officers of the Resulting Issuer, as a group, namely: John Wilton and Kristen Reinertson	2,400,000 ⁽¹⁾
All proposed directors of the Resulting Issuer who are not also officers, as a group, namely: Clive Johnson, Tom Garagan and Roger Richer	2,250,000 ⁽²⁾
All officers of all subsidiaries of the Resulting Issuer, as a group	Nil
All directors of all subsidiaries of the Resulting Issuer who are not also officers, as a group	Nil
All other employees of the Resulting Issuer, as a group	Nil
All consultants of the Resulting Issuer, as a group	120,000 ⁽³⁾
Charities	Nil
Any other person or company, namely: Harry Pokrandt	750,000 ⁽⁴⁾

Notes:

- (1) *Comprised of 2,250,000 stock options held by John Wilton and 150,000 stock options held by Kristen Reinertson. Mr. Wilton's stock options are exercisable at a price of \$0.24 each until February 27, 2028 and have the following vesting provisions: 250,000 on date of grant (February 27, 2018), 750,000 on February 1, 2019, 750,000 on February 1, 2020, and 500,000 on February 1, 2021. Ms. Reinertson's stock options are exercisable at a price of \$0.06 each until December 9, 2026.*
- (2) *Comprised of 750,000 stock options held by each of Clive Johnson, Tom Garagan and Roger Richer, all of which are exercisable at a price of \$0.06 each until December 9, 2026.*
- (3) *These stock options are exercisable at a price of \$0.06 each until December 9, 2026.*
- (4) *These stock options were granted to Harry Pokrandt, the former President, CEO and a director of the Issuer entitling him to purchase an aggregate of 750,000 BMC Shares at a price of \$0.06 each until February 26, 2019.*

There are no assurances that the options described above will be exercised in whole or in part.

Stock Option Plan

The Issuer's Stock Option Plan will be the stock option plan of the Resulting Issuer. The purpose of the Stock Option Plan is to offer to directors, officers, employees and consultants of the Resulting issuer and its affiliates the opportunity to acquire a proprietary interest in the Resulting Issuer, thereby providing an incentive to such parties to promote the best interests of the Resulting Issuer and to provide the means to the resulting Issuer to attract qualified persons. See "*Information Concerning the Issuer - Stock Option Plan*".

Escrowed Securities

Pursuant to the Escrow Agreement, the Issuer will have an aggregate of 15,538,574 Escrowed Shares held in escrow with Computershare as escrow agent on completion of the Qualifying Transaction. The following table lists the names of the shareholders of the Resulting Issuer who will hold Resulting Issuer Escrow Shares following the Completion of the Qualifying Transaction:

Number of Securities Held in Escrow (Percentage of Class)					
Name and Municipality of Residence of Securityholder	Designation of Class	Resulting Issuer Shares Prior to Giving Effect to the Transactions ⁽¹⁾		Resulting Issuer Shares After Giving Effect to the Transactions	
		Number of Securities Held in Escrow ⁽¹⁾	Percentage of Class ⁽²⁾ %	Number of Securities to be held in escrow	Percentage of Class ⁽³⁾ %
514742 B.C. Ltd. ⁽⁴⁾ Coquitlam, BC	Common Shares	42,858	0.08%	42,858	0.06%
Chunlin Li Richmond, BC	Common Shares	42,858	0.08%	42,858	0.06%
Donald A. Mosher North Vancouver, BC	Common Shares	21,429	0.04%	21,429	0.03%
Donald Gee Burnaby, BC	Common Shares	42,858	0.08%	42,858	0.06%
Douglas Ainsworth Vancouver, BC	Common Shares	42,858	0.08%	42,858	0.06%
Evelyn Tchao Richmond, BC	Common Shares	42,858	0.08%	42,858	0.06%
Kitty Chan Vancouver, BC	Common Shares	85,713	0.15%	85,713	0.13%
Patrick Wong West Vancouver, BC	Common Shares	42,858	0.08%	42,858	0.06%
Paul Chiu Yin Pang Vancouver, BC	Common Shares	128,571	0.23%	128,571	0.19%
Susie Pang Vancouver, BC	Common Shares	8,571	0.02%	8,571	0.01%
Yuling Zhou Richmond, BC	Common Shares	107,142	0.19%	107,142	0.16%
Johnson Dixon Family Trust No. 1 Vancouver, BC	Common Shares	3,499,998	6.16%	7,350,000	10.79%

Tom Garagan Vancouver, BC	Common Shares	0	N/A	3,950,000	5.80%
Roger Richer Vancouver, BC	Common Shares	0	N/A	3,600,000	5.29%
Kristen Reinertson Vancouver, BC	Common Shares	0	N/A	30,000	0.04%
TOTALS:		4,108,572	7.23%	15,538,574	22.80%

Notes:

- (1) Pursuant to the terms of the Escrow Agreement, 10% of these Escrow Shares will be released upon completion of the Transactions.
- (2) Based on 56,798,577 BMC Shares outstanding as of the date of this Filing Statement, on an undiluted basis.
- (3) Based on 68,098,577 Resulting Issuer Shares expected to be outstanding immediately following the completion of the Transactions, on an undiluted basis.
- (4) A corporation that is wholly-owned by Wan Jung.

Under the Escrow Agreement, and, provided that the Resulting Issuer is listed on Tier 2 of the Exchange, under the Escrow Agreement, 10% of the Escrowed Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**") approving the Transactions and an additional 15% will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

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

Auditor, Transfer Agent and Registrar

The auditor of the Resulting Issuer will be PricewaterhouseCoopers LLP, Chartered Professional Accountants of Suite 700 – 250 Howe Street, Vancouver, British Columbia, V6C 3S7.

The Transfer Agent and registrar of the Resulting Issuer will be Computershare Investor Services Inc., of 510 Burrard Street, Third Floor, Vancouver, British Columbia, V6C 3B9.

GENERAL MATTERS

Sponsorship and Agent Relationship

No sponsor or agent has been retained in connection with the Qualifying Transaction as the Exchange has waived the sponsorship requirement.

Experts

Opinions

The following professional persons have prepared reports or have provided opinions that are either included in or referred to in this Filing Statement:

- A. The Technical Report dated effective April 10, 2018 and titled "Technical Report – The Pangeni Project Northwest Province, Republic of Zambia", was prepared for the Issuer by Allan Lines, P.

Geo. on behalf of African Mining Consultants Ltd., and by Thomas Krebs, Pr.Sci.Nat., who authorized item 2.6 and by John Wilton, Pr.Sci.Nat., who co-authored items 1-11 and 13-24.

- B. PricewaterhouseCoopers LLP, Chartered Professional Accountants have provided an auditor's report on the financial statements of the Issuer for the year ended December 31, 2017 and the eleven-month period ended December 31, 2016.
- C. Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants have provided an auditor's report on the financial statements of the Issuer for the year ended January 31, 2016.

Interest of Experts

Except as disclosed herein, no professional person, as referred to in Part A. above, who has provided an opinion or report referenced in this Filing Statement currently holds more than 1% of the Common Shares and, upon Completion of the Qualifying Transaction, will not hold more than 1% of the issued and outstanding Common Shares of the Issuer, and no such professional person is expected to be elected, appointed or employed as a director, officer or employee of the Issuer or of its Associates or Affiliates.

Other Material Facts

There are no material facts about the Issuer or the Qualifying Transaction which are not otherwise disclosed in this Filing Statement.

Board Approval

The contents and sending of this Filing Statement have been approved by the board of directors of the Issuer. Where information contained in this Filing Statement rests particularly within the knowledge of a person other than the Issuer, the Issuer has relied upon information furnished by such person.

SCHEDULE A

Unaudited Pro Forma Consolidated Statement of Financial Position of the Issuer
as at March 31, 2018.

BeMetals Corp.

Unaudited Pro Forma Consolidated Statement of Financial Position

As at March 31, 2018

(Expressed in Canadian Dollars)

BeMetals Corp.

Unaudited Pro Forma Consolidated Statement of Financial Position

As at March 31, 2018

(Expressed in Canadian Dollars)

	BeMetals Corp. As at March 31, 2018	Note 2	Pro Forma Adjustments	Consolidated Pro Forma Total
Cash & cash equivalents	\$ 21,669	a	\$ (50,000)	\$ 2,096,669
		b	2,240,000	
		b	(115,000)	
Amounts receivable	43,130		-	43,130
Prepaid expenses	1,250		-	1,250
Total current assets	66,049		2,075,000	2,141,049
Exploration & evaluation assets	87,824	a	3,266,711	3,424,535
		a	20,000	
		a	50,000	
Total assets	\$ 153,873		\$ 5,411,711	\$ 5,565,584
Amounts payable	\$ 385,598		-	\$ 385,598
	385,598		-	385,598
Commitment for exploration expenditures	-	a	3,266,711	3,266,711
Total liabilities	385,598		3,266,711	3,652,309
Share capital	2,345,095	a	20,000	4,490,095
		b	2,240,000	
		b	(115,000)	
Equity reserve	386,362		-	386,362
Deficit	(2,963,182)		-	(2,963,182)
Total equity (deficiency)	(231,725)		2,145,000	1,913,275
Total liabilities & equity	\$ 153,873		\$ 5,411,711	\$ 5,565,584

BeMetals Corp.

Notes to the Unaudited Pro Forma Consolidated Statement of Financial Position

(As at March 31, 2018)

(Expressed in Canadian Dollars)

1. PROPOSED TRANSACTION AND BASIS OF PRESENTATION

In February 2018, further to a November 2017 letter agreement, BeMetals Corp. (“BeMetals” or the “Company”) confirmed the agreement (the “Agreement”) with Copper Cross Zambia Limited and its parent company Manica Zambia Limited (together the “Vendor”) to acquire up to a 72% interest in the Pangenji copper project in the Zambian Copperbelt (the “Pangenji Project”). The transaction will be considered an acquisition of assets by way of a Qualifying Transaction as defined in Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange.

In connection with the transaction, the Company is completing a financing for gross proceeds of \$2,240,000 through the issuance of 11,200,000 common shares of the Company at a price of \$0.20 per share. The net proceeds will be used to advance the exploration of the Pangenji Project and for working capital purposes, including to conduct due diligence reviews on additional base metals projects.

The accompanying unaudited pro forma consolidated statement of financial position as at March 31, 2018 has been prepared for inclusion in the Filing Statement of BeMetals dated July 18, 2018, whereby the Company is completing the transaction described above. The unaudited pro forma consolidated statement of financial position is for illustrative purposes only and may not be indicative of the financial position of the Company on completion of the transaction.

The unaudited pro forma consolidated statement of financial position is derived from information from the financial statements of BeMetals using the same accounting policies as described in BeMetals’ audited consolidated financial statements for the year ended December 31, 2017. The unaudited pro forma consolidated statement of financial position has been compiled using information derived from and should be read in conjunction with:

- BeMetals’ audited consolidated financial statements as at December 31, 2017 and 2016, and for the years then ended; and
- BeMetals’ unaudited condensed interim consolidated financial statements for the three months ended March 31, 2018 and 2017.

The unaudited pro forma consolidated statement of financial position includes all adjustments necessary for fair presentation, in all material respects, of the transaction described in Note 2 applied on a basis consistent with BeMetals’ accounting policies, which are in accordance with International Financial Reporting Standards.

As at March 31, 2018, the functional and presentation currency of BeMetals was the Canadian dollar and this pro forma consolidated statement of financial position has been presented in Canadian dollars; where necessary US figures have been translated to Canadian dollars at a rate of 1 USD to 1.3168 CAD, using the rate as at June 29, 2018 as reference.

BeMetals Corp.

Notes to the Unaudited Pro Forma Consolidated Statement of Financial Position

(As at March 31, 2018)

(Expressed in Canadian Dollars)

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The accompanying unaudited pro forma consolidated statement of financial position gives effect to the completion of the proposed transactions described below as if they had occurred on March 31, 2018:

(a) Pangení Transaction

In February 2018, the Company confirmed the Agreement as described in Note 1. The transaction is accounted for as an asset acquisition, whereby the Company is acquiring the right to earn up to 72% interest in the Pangení Project. Pursuant to the Agreement, the initial 67.5% interest can be acquired by the Company paying US\$300,000 cash, issuing a total of 500,000 common shares, incurring US\$2.5 million in exploration work, all prior to the second anniversary, and then completing a preliminary economic assessment and making a further cash payments of US\$1,150,000 prior to the fifth anniversary. The Company may acquire an additional 4.5% interest by funding a feasibility study on the project and making a further cash payment of US\$750,000. The US\$2.5 million to be spent on exploration work is an obligation under the Agreement following the Qualifying Transaction and must either be satisfied by expenditures on exploration activities or by cash payments to the Vendor, and accordingly, the Company has accrued this obligation as part of the initial transaction.

At the commencement of the mine development phase, and following a feasibility study, a one-off milestone payment would be payable, based upon total proven and probable mineral reserves, as follows: US\$2 million if less than 500kt contained copper, US\$3 million if the contained copper is between 500kt and 1,000kt, and US\$6 million if greater than 1,000kt contained copper.

Upon commencement of production, Pangení Mineral Resources Limited is entitled to a 3% Net Smelter Royalty (which may be reduced to 1% following a royalty reduction payment by the Company, determined by an internationally recognised valuator, which is not to exceed US\$3.3 million).

Total cost, including consideration and transaction expenses, for the execution of the Agreement is estimated as follows:

	Amount:
Cash payment - US\$50,000 (paid in advance in March 2018)	\$ 62,535
Shares issued to Vendor at closing - 100,000 shares	20,000
Commitment for exploration costs - US\$2.5 million	3,292,000
Transaction expenses	50,000
Total:	\$ 3,424,535
Less: Cash payment - US\$50,000 (paid in advance in March 2018)	<u>(62,535)</u>
Total following adjustment:	\$ 3,362,000

The 100,000 shares to be issued to the Vendor have been ascribed an estimated value of \$20,000, being \$0.20 per share, for the purposes of this unaudited pro forma consolidated statement of financial position, based on the concurrent financing price.

In March 2018, the Company paid an advance of US\$50,000 (CA\$62,535) to the Vendor and accrued exploration and evaluation costs of \$25,289, which decreases the obligation to incur US\$2.5 million (CA\$3,292,000) to CA\$3,266,711.

BeMetals Corp.

Notes to the Unaudited Pro Forma Consolidated Statement of Financial Position

(As at March 31, 2018)

(Expressed in Canadian Dollars)

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS (Continued)

(b) Financing

In connection with the transaction, the Company is completing a non-brokered private placement for gross proceeds of \$2,240,000 through the issuance of 11,200,000 common shares of the Company at a price of \$0.20 per share. The net proceeds will be used to advance the exploration of the Pangen Project and for working capital purposes, including to conduct due diligence reviews on additional base metals projects.

In connection with the financing, the Company estimates \$115,000 of share issuance costs including finder's fees, legal fees and filing fees

3. PRO FORMA SHARE CAPITAL

	Note 2	Shares Outstanding	Share Capital	Equity reserve
Balance, March 31, 2018		56,798,577	\$ 2,345,095	\$ 386,362
Shares issued to Vendor (upon closing)	a	100,000	20,000	-
Shares issued pursuant to private placement	b	11,200,000	2,240,000	-
Share issuance costs	b	-	(115,000)	-
Total		68,098,577	\$ 4,490,095	\$ 386,362

4. INCOME TAXES

The Company's expected pro forma effective income tax rate applicable to operations is 27%.

SCHEDULE B

Unaudited Condensed Interim Consolidated Financial Statements of the Issuer
for the three month periods ended March 31, 2018.

Condensed interim consolidated financial statements of

BeMetals Corp. (formerly BQ Metals Corp.)

Three months ended March 31, 2018 and 2017
(Expressed in Canadian Dollars)
(Unaudited)

BeMetals Corp. (formerly BQ Metals Corp.)

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	As at March 31, 2018	As at December 31, 2017
Assets		
Current assets		
Cash	\$ 21,669	\$ 105,869
Amounts receivable	43,130	43,130
Prepaid expenses	1,250	-
	66,049	148,999
Exploration and evaluation assets (Note 3)	87,824	-
Total assets	\$ 153,873	\$ 148,999
Liabilities and equity		
Current liabilities		
Trade and other payables	\$ 385,598	\$ 267,784
Total liabilities	385,598	267,784
Shareholder deficiency		
Share capital (Note 4)	2,345,095	2,345,095
Equity reserve	386,362	324,218
Deficit	(2,963,182)	(2,788,098)
Total deficiency	(231,725)	(118,785)
Total liabilities and equity	\$ 153,873	\$ 148,999

Nature of operations and going concern (Note 1)

Approved by the Board of Directors and authorized for issue on May 29, 2018:

"Clive T. Johnson" Director

"John Wilton" Director

BeMetals Corp. (formerly BQ Metals Corp.)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2018 and 2017

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended March 31,	
	2018	2017
Expenses		
Consulting	\$ 30,000	\$ 234,622
Foreign exchange	1,508	-
Management fees	38,063	-
Office and administration	3,186	5,306
Professional fees	35,847	235,861
Regulatory and transfer agent	4,635	7,366
Share-based compensation (Note 4)	62,144	-
Travel	-	27,995
	(175,383)	(511,150)
Finance income	299	-
	299	-
Net loss and comprehensive loss	\$ (175,084)	\$ (511,150)
Basic and diluted loss per share	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	56,798,577	51,674,981

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

BeMetals Corp. (formerly BQ Metals Corp.)
Condensed Interim Consolidated Statements of Equity
(Expressed in Canadian dollars)
(Unaudited)

	Share capital		Share subscriptions received in advance	Equity reserve	Deficit	Total equity (deficiency)
	Shares issued	Amount				
At December 31, 2016	32,798,577	\$ 921,133	\$ 199,980	\$ 324,218	\$ (1,000,308)	\$ 445,023
Private placement	24,000,000	1,440,000	(199,980)	-	-	1,240,020
Share issue costs	-	(16,038)	-	-	-	(16,038)
Net loss and comprehensive loss	-	-	-	-	(511,150)	(511,150)
At March 31, 2017	56,798,577	2,345,095	-	324,218	(1,511,458)	1,157,855
Net loss and comprehensive loss	-	-	-	-	(1,276,640)	(1,276,640)
At December 31, 2017	56,798,577	2,345,095	-	324,218	(2,788,098)	(118,785)
Share-based compensation	-	-	-	62,144	-	62,144
Net loss and comprehensive loss	-	-	-	-	(175,084)	(175,084)
At March 31, 2018	56,798,577	\$ 2,345,095	\$ -	\$ 386,362	\$ (2,963,182)	\$ (231,725)

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

BeMetals Corp. (formerly BQ Metals Corp.)
Condensed Interim Consolidated Statements of Cash Flows
For the three months ended March 31, 2018 and 2017
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended March 31,	
	2018	2017
Operating activities		
Net loss	\$ (175,084)	\$ (511,150)
Adjusted for:		
Share-based compensation	62,144	-
Changes in non-cash working capital items:		
Amounts receivable	-	(20,063)
Prepaid expenses	(1,250)	-
Trade and other payables	92,525	148,082
Cash used in operating activities	(21,665)	(383,131)
Investing activities		
Exploration and evaluation expenditures	(62,535)	-
Cash used in investing activities	(62,535)	-
Financing activities		
Private placement, net of share issue costs	-	1,223,982
Cash provided by financing activities	-	1,223,982
Increase (decrease) in cash	(84,200)	840,851
Cash and cash equivalents, beginning of period	105,869	488,599
Cash and cash equivalents, end of period	\$ 21,669	\$ 1,329,450
Cash and cash equivalents is comprised of:		
Cash	\$ 21,669	\$ 1,079,450
Term deposits	-	250,000
	\$ 21,669	\$ 1,329,450

Supplemental disclosure with respect to cash flows (Note 8)

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2018

(Expressed in Canadian dollars)

(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated on February 4, 2008 under the Business Corporations Act of the Province of British Columbia. In March 2010, the Company completed its initial public offering and commenced trading on Tier 2 of the TSX Venture Exchange ("TSX-V") as a Capital Pool Company ("CPC"). As a CPC, the Company has no material commercial operations and no material assets other than cash and its principal business is the identification and evaluation of assets and to negotiate an acquisition of or participation in a business (the "Qualifying Transaction").

In February 2018, the Company entered into a letter agreement (the "Agreement") to acquire up to a 72% interest in the Pangeni Project in the Zambian Copperbelt (the "Pangeni Project") (Note 3), which the Company intends to file with the TSX-V as its Qualifying Transaction. The Agreement and acquisition remains subject to approval by the TSX-V.

The Company continues to identify and evaluate other potential opportunities as part of its growth strategy with the goal of becoming a significant base metals company through the acquisition of quality exploration, development and production stage base metal projects.

In April 2018, the Company changed its name to BeMetals Corp. from BQ Metals Corp. (previously Miza Enterprises Inc.). In connection with the name change, the Company's trading symbol on the NEX board of the TSX Venture Exchange was changed to "BMET.H". The Company's head office address is 3123 – 595 Burrard Street, Vancouver, BC, V7X 1J1. The registered and records office address is 2500 – 700 W. Georgia Street, Vancouver BC, V7Y 1B3.

These unaudited condensed interim consolidated financial statements have been prepared on the basis of a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2018, the Company had a working capital deficit of \$319,549. The Company has incurred negative cash flows from operations of \$21,665, recorded a loss of \$175,084 for the three months ended March 31, 2018, and has an accumulated deficit of \$2,963,182 as at March 31, 2018. The Company does not currently have a recurring source of revenue and does not currently have sufficient financial resources to fund on-going operating expenditures and the Company's development plan. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company. The uncertainty of the Company's success in raising additional capital funding casts significant doubt on the Company's ability to continue as a going concern. These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

2. BASIS OF PRESENTATION

(a) *Statement of compliance*

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting on a basis consistent with the accounting policies disclosed in the audited financial statements for the year ended December 31, 2017, except for newly adopted accounting policies as noted below.

These unaudited condensed interim consolidated financial statements should be read in conjunction with the most recently issued annual financial statements of the Company, which include information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies were presented as Note 3 to the financial statements for the year ended December 31, 2017, and have been consistently applied in the preparation of these unaudited condensed interim consolidated financial statements. These unaudited condensed interim financial statements have been amended from those previously filed to correct certain typographical errors including the header to the statement of financial position and the wording of the exploration and evaluation accounting policy.

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2018

(Expressed in Canadian dollars)

(Unaudited)

2. BASIS OF PRESENTATION (continued)

(b) *Significant accounting judgments and estimates*

The preparation of 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 financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Key Source of Estimation Uncertainty

Share-based payments

Share-based compensation expense is measured by reference to the fair value of the share options at the date at which they are granted. Estimating fair value for granted share options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, risk-free interest rate, and making assumptions about them. The fair value of the share-based compensation expense for the period along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed in Note 4.

(c) *Principles of consolidation*

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. All intercompany balances and transactions are eliminated upon consolidation.

The Company has two inactive subsidiaries incorporated in British Columbia, Canada. The functional currency of these entities and the Company is the Canadian dollar.

(d) *Adoption of new accounting policies*

Effective January 1, 2018, the following standards were adopted but have had no material impact on the financial statements:

- IFRS 9: New standard that replaced IAS 39 for classification and measurement of financial assets, which is effective for annual periods beginning on or after January 1, 2018. Adoption of this standard did not have a significant measurement impact on the Company's consolidated financial statements.

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2018

(Expressed in Canadian dollars)

(Unaudited)

2. BASIS OF PRESENTATION (continued)

(d) *Adoption of new accounting policies (continued)*

Exploration and Evaluation Assets

The Company defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties as exploration and evaluation until the properties are placed in production, abandoned, sold or considered to be impaired in value. Once the technical feasibility and commercial viability of the extraction of mineral reserves or resources from a particular mineral property has been determined, exploration and evaluation expenditures are reclassified to "mineral properties and mine development costs". If no mineable ore body is discovered, such costs are expensed in the period in which it is determined the property has no future economic value. Exploration costs that do not relate to any specific property are expensed as incurred.

The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination of factors, such as but not limited to:

- The extent to which mineral reserves or mineral resources have been identified through a feasibility study or similar level document;
- The results of optimization studies and further technical evaluation carried out to mitigate project risks identified in the feasibility study;
- The status of environmental permits; and
- The status of mining leases or permits.

In addition, commercial viability is deemed to be achieved when the Company determines that the project will provide a satisfactory return relative to its perceived risks. Ore reserves and resources may be declared for an undeveloped mining project before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of reserves and approval to mine as further work is undertaken in order to refine the development case to maximize the project's returns.

3. EXPLORATION AND EVALUATION ASSETS

In February 2018, the Company entered into the Agreement with Copper Cross Zambia Limited. Pursuant to the Agreement the Company has the right to acquire up to a 72% interest in the Pangenji Project in Zambia. The initial 67.5% interest can be acquired by the Company paying US\$300,000 cash, issuing a total of 500,000 common shares, incurring US\$2.5 million in exploration work, all prior to the second anniversary, and then completing a preliminary economic assessment and making a further cash payments of US\$1,150,000 prior to the fifth anniversary. The Company may acquire an additional 4.5% interest by funding a feasibility study on the project and making a further cash payment of US\$750,000. The US\$2.5 million to be spent on exploration work is an obligation under the Agreement upon completion of the Qualifying Transaction and will be required to be satisfied by either expenditures on exploration activities or by cash payments to Copper Cross Zambia Limited.

At the commencement of the mine development phase, and following a feasibility study, a one-off milestone payment would be payable, based upon total proven and probable mineral reserves, as follows: US\$2 million if less than 500kt contained copper, US\$3 million if the contained copper is between 500kt and 1,000kt, and US\$6 million if greater than 1,000kt contained copper.

Upon commencement of production, Pangenji Mineral Resources Limited is entitled to a 3% Net Smelter Royalty (which may be reduced to 1% following the royalty reduction payment by the Company, determined by an internationally recognised valuator, which is not to exceed US\$3.3 million).

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2018

(Expressed in Canadian dollars)

(Unaudited)

3. EXPLORATION AND EVALUATION ASSETS (continued)

During the three months ended March 31, 2018, the Company advanced US\$50,000 (\$62,535) towards the cash payment obligations and accrued exploration costs of US\$19,592 (\$25,289) for total exploration and evaluation asset expenditures of US\$69,592 (\$87,824).

4. EQUITY

(a) *Authorized*

Unlimited common shares with no par value
Unlimited preferred shares with no par value

(b) *Issued and fully paid common shares*

In January 2017, the Company completed a common share stock split on the basis of three new common shares for each one old common share. All common share and common per share amounts in these financial statements have been retroactively restated to reflect the stock split.

There were no common shares issued during the three months ended March 31, 2018.

During the three months ended March 31, 2017, the Company closed a non-brokered private placement of 24,000,000 common shares at a price of \$0.06 per share for gross proceeds of \$1,440,000.

Proceeds of \$199,980 relating to this non-brokered private placement were received during the period ended December 31, 2016. Cash share issue costs of \$16,038 were incurred in relation to the private placement.

As at March 31, 2018, 56,798,577 common shares were issued and outstanding (December 31, 2017: 56,798,577 shares).

(c) *Escrow shares*

The Company entered into an escrow agreement with certain shareholders in December 2009. Shares will remain in escrow until the Company completes a Qualifying Transaction and then will be released over the course of 36 months.

As at March 31, 2018, 4,108,572 (December 31, 2017: 4,108,572) shares remained in escrow.

(d) *Share options*

The Company has adopted an incentive share option plan which provides that the Board of Directors of the Company may from time to time, in its discretion and in accordance with TSX-V requirements, grant non-transferable share options to purchase common shares, provided that the number of common shares reserved for issuance in any twelve month period will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant at a price not less than the closing price of the Company's shares on the last trading day before the grant of such options. Each option vesting period is determined on a grant by grant basis by the Board of Directors.

During the three months ended March 31, 2018, the Company granted an aggregate of 2,250,000 share options to an officer of the Company, exercisable at a price of \$0.24 per share until February 27, 2028, vesting over a period of three years. Using the Black-Scholes option pricing model, the fair value per option granted was \$0.18 per option and the share based compensation expense recognized for the vesting of these options to March 31, 2018, was \$62,144. The following weighted average assumptions were used for the valuation of the share options:

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2018

(Expressed in Canadian dollars)

(Unaudited)

4. EQUITY (continued)

(d) Share options (continued)

	2018
Risk-free interest rate	2.17%
Expected life (years)	8.5 years
Annualized volatility	75.00%
Dividend rate	0.00%

There were no share options granted during the three months ended March 31, 2017.

Following is a summary of changes in share options outstanding:

	Number of options	Weighted average exercise price
Balance, December 31, 2016 and 2017	3,270,000	\$ 0.06
Granted	2,250,000	0.24
Balance, March 31, 2018	5,520,000	\$ 0.13

The following table summarizes information about share options outstanding at March 31, 2018:

Outstanding	Exercisable	Exercise price	Expiry date
3,270,000	3,270,000	\$ 0.06	December 9, 2026
2,250,000	250,000	0.24	February 27, 2028
5,520,000	3,520,000		

5. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

During the three months ended March 31, 2018, key management personnel compensation, including directors and officers, was comprised of \$98,557 (three months ended March 31, 2017: \$nil), \$62,144 of which related to share options granted to an officer of the Company and \$36,413 of which was management fees to the Chief Executive Officer of the Company. As at March 31, 2018, \$18,266 was due to the Chief Executive Officer of the Company and is included in trade and other payables in the statement of financial position.

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

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:

Credit risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of these financial assets.

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2018

(Expressed in Canadian dollars)

(Unaudited)

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources. Historically, the Company's source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is uncertain and there can be no assurance of continued access to significant funding from these sources. Management has concluded that the Company does not have adequate financial resources to settle obligations as at March 31, 2018, and will require additional funding to continue operations for the next twelve months (Note 1).

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's reporting currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars. The Company maintains Canadian and US dollar bank accounts in Canada. The Company is subject to gains and losses from fluctuations in the US dollar against the Canadian dollar.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account.

7. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to maintain a flexible capital structure which will allow it to pursue the completion of a Qualifying Transaction in accordance with Policy 2.4 of the TSX-V. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms and approved by the TSX-V. There were no changes in the Company's approach to capital management during the three months ended March 31, 2018.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash investing or financing transactions included:

- Included in trade and other payables at March 31, 2018, is \$25,289 (December 31, 2017: \$nil) of accrued exploration and evaluation costs.

No cash was paid for interest or income taxes during the three months ended March 31, 2018 and 2017.

SCHEDULE C

Audited Consolidated Financial Statements for the Issuer for the year ended December 31, 2017
and the eleven-month period ended December 31, 2016,
and the year ended January 31, 2016.

Consolidated Financial Statements of

BeMetals Corp. (formerly BQ Metals Corp.)

For the Year Ended December 31, 2017, and the Eleven-Month
Period Ended December 31, 2016
(Expressed in Canadian Dollars)



April 24, 2018

Independent Auditor's Report

To the Shareholders of BeMetals Corp. (formerly BQ Metals Corp.)

We have audited the accompanying consolidated financial statements of BeMetals Corp., which comprise the consolidated statements of financial position as at December 31, 2017 and December 31, 2016 and the consolidated statements of loss and comprehensive loss, equity and cash flows for the year ended December 31, 2017 and for the eleven month period ended December 31, 2016, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

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

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

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

*PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806*



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of BeMetals Corp. as at December 31, 2017 and December 31, 2016 and its financial performance and its cash flows for the year ended December 31, 2017 and for the eleven month period ended December 31, 2016 in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about BeMetals Corp.'s ability to continue as a going concern.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Professional Accountants

BeMetals Corp. (formerly BQ Metals Corp.)

Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

	As at December 31, 2017	As at December 31, 2016
Assets		
Current assets		
Cash	\$ 105,869	\$ 488,599
Amounts receivable	43,130	5,909
Prepaid expenses	-	1,250
Total assets	\$ 148,999	\$ 495,758
Liabilities and equity		
Current liabilities		
Trade and other payables	\$ 267,784	\$ 50,735
Total liabilities	267,784	50,735
Equity (deficiency)		
Share capital (Note 4)	2,345,095	921,133
Share subscriptions received in advance (Note 4)	-	199,980
Equity reserve	324,218	324,218
Deficit	(2,788,098)	(1,000,308)
Total equity (deficiency)	(118,785)	445,023
Total liabilities and equity	\$ 148,999	\$ 495,758

Nature of operations and going concern (Note 1)

Subsequent events (Note 9)

Approved by the Board of Directors and authorized for issue on April 24, 2018:

"Clive T. Johnson"	Director
"John Wilton"	Director

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

BeMetals Corp. (formerly BQ Metals Corp.)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended December 31, 2017	Eleven-month period ended December 31, 2016
Expenses		
Consulting	\$ 669,225	\$ 29,365
Office and administration	16,537	31,721
Professional fees	1,015,690	25,746
Regulatory and transfer agent	52,950	14,577
Share-based compensation (Note 4)	-	145,135
Travel	46,901	-
	(1,801,303)	(246,544)
Finance income (expense)	3,470	(3,281)
Foreign exchange gain	2,483	-
Write-off of trade and other payables (Note 5)	7,560	-
	13,513	(3,281)
Net loss and comprehensive loss	\$ (1,787,790)	\$ (249,825)
Basic and diluted loss per share	\$ (0.03)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	55,483,509	31,451,272

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

BeMetals Corp. (formerly BQ Metals Corp.)

Consolidated Statements of Equity

(Expressed in Canadian dollars)

	Share capital		Share subscriptions received in advance	Obligation to issue shares	Equity reserve	Deficit	Total equity (deficiency)
	Shares issued	Amount					
At January 31, 2016	2,798,577	\$ 421,133	\$ -	\$ 20,000	\$ 179,083	\$ (750,483)	\$ (130,267)
Private placement	30,000,000	500,000	-	-	-	-	500,000
Obligation to issue shares settled in cash	-	-	-	(20,000)	-	-	(20,000)
Share subscriptions received in advance	-	-	199,980	-	-	-	199,980
Share-based compensation	-	-	-	-	145,135	-	145,135
Net loss and comprehensive loss	-	-	-	-	-	(249,825)	(249,825)
At December 31, 2016	32,798,577	\$ 921,133	\$ 199,980	\$ -	\$ 324,218	\$ (1,000,308)	\$ 445,023
Private placement	24,000,000	1,440,000	(199,980)	-	-	-	1,240,020
Share issue costs	-	(16,038)	-	-	-	-	(16,038)
Net loss and comprehensive loss	-	-	-	-	-	(1,787,790)	(1,787,790)
At December 31, 2017	56,798,577	\$ 2,345,095	\$ -	\$ -	\$ 324,218	\$ (2,788,098)	\$ (118,785)

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

BeMetals Corp. (formerly BQ Metals Corp.)

Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Year ended December 31, 2017	Eleven-month period ended December 31, 2016
Operating activities		
Net loss	\$ (1,787,790)	\$ (249,825)
Adjusted for:		
Share-based compensation	-	145,135
Accrued loan interest payable	-	3,258
Changes in non-cash working capital items:		
Amounts receivable	(37,221)	(4,816)
Prepaid expenses	1,250	(1,250)
Trade and other payables	217,049	36,004
Cash used in operating activities	(1,606,712)	(71,494)
Financing activities		
Private placement, net of share issue costs	1,223,982	500,000
Obligation to issue shares settled in cash	-	(20,000)
Share subscriptions received in advance	-	199,980
Repayment of loan payable	-	(100,000)
Interest on loan payable	-	(20,880)
Cash provided by financing activities	1,223,982	559,100
Increase (decrease) in cash	(382,730)	487,606
Cash, beginning of period	488,599	993
Cash, end of period	\$ 105,869	\$ 488,599

Interest of \$nil was paid during the year ended December 31, 2017 (Eleven-month period ended December 31, 2016: \$20,000).

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

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Consolidated Financial Statements

December 31, 2017

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated on February 4, 2008 under the Business Corporations Act of the Province of British Columbia. In March 2010, the Company completed its initial public offering and commenced trading on Tier 2 of the TSX Venture Exchange ("TSX-V") as a Capital Pool Company ("CPC"). As a CPC, the Company has no material commercial operations and no material assets other than cash and its principal business is the identification and evaluation of assets and to negotiate an acquisition of or participation in a business (the "Qualifying Transaction").

In February 2018, the Company entered into an agreement to acquire up to a 72% interest in the Pangeni Project in the Zambian Copperbelt (the "Project") (Note 9), which the Company intends to file with the TSX-V as its Qualifying Transaction. The Project is located on the western extension of the Zambian Copperbelt underlain by Katangan Supergroup metasediments which are covered by a thin veneer of Kalahari sands. The Sentinel, open pit, Copper Mine is operated by First Quantum Minerals some 130 kilometers to the northeast of the Project. A number of other major international mining companies have identified this region of the Zambian Copperbelt to be prospective for the discovery of tier one copper mines and are conducting exploration field work. The agreement and acquisition remains subject to approval by the TSX-V.

The Company continues to identify and evaluate other potential opportunities as part of its growth strategy with the goal of becoming a significant base metals company through the acquisition of quality exploration, development and production stage base metal projects.

In April 2018, the Company changed its name to BeMetals Corp. from BQ Metals Corp. (previously Miza Enterprises Inc.) In connection with the name change, the Company's trading symbol on the NEX board of the TSX Venture Exchange was changed to "BMET.H". In February 2017, the Company determined to change its financial year end from January 31 to December 31, with the transition year being February 1, 2016 to December 31, 2016. In January 2017, the Company completed a common share stock split on the basis of three new common shares for each one old common share. All common share and per common share amounts in these financial statements have been retroactively restated to reflect the stock split. The Company's head office address is 3123 – 595 Burrard Street, Vancouver, BC, V7X 1J1. The registered and records office address is 2500 – 700 W. Georgia Street, Vancouver BC, V7Y 1B3.

These consolidated financial statements have been prepared on the basis of a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2017, the Company had a working capital deficit of \$118,785. The Company has incurred negative cash flows from operations of \$1,606,712, recorded a loss of \$1,787,790 for the year ended December 31, 2017, and has an accumulated deficit of \$2,788,098 as at December 31, 2017. The Company does not currently have a recurring source of revenue and does not currently have sufficient financial resources to fund on-going operating expenditures and the Company's development plan. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company. The uncertainty of the Company's success in raising additional capital funding casts significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

2. BASIS OF PRESENTATION

(a) *Statement of compliance*

These financial statements as at and for the year ended December 31, 2017, including comparatives, are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Consolidated Financial Statements

December 31, 2017

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

(b) *Basis of measurement*

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

(c) *Significant accounting judgments and estimates*

The preparation of 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 financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Key Source of Estimation Uncertainty

Share-based payments

Share-based compensation expense is measured by reference to the fair value of the share options at the date at which they are granted. Estimating fair value for granted share options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, risk-free interest rate, and making assumptions about them. The fair value of the share-based compensation expense for the period along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed in Note 4.

(d) *Principles of consolidation*

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. All intercompany balances and transactions are eliminated upon consolidation.

The Company has two subsidiaries incorporated in British Columbia, Canada, BQ Financeco Corp. and BQ Acquisition Corp. The functional currency of these entities and the Company is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies used in the preparation of these financial statements are described below:

(a) *Cash and Cash Equivalents*

Cash includes deposits held with banks that are available on demand. Cash equivalents include short-term investments that have maturity dates of three months or less from the date of purchase, or are redeemable prior to maturity without significant costs or penalties.

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Consolidated Financial Statements

December 31, 2017

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *Loss per share*

Basic loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of common shares outstanding during the period. For this purpose, it is assumed that proceeds upon the exercise of share options and warrants are used to purchase common shares at the average market price during the period. Share options and warrants outstanding as at December 31, 2017, are anti-dilutive and, therefore, have not been taken into account in the diluted per share calculations.

(c) *Share-based payments*

The Company's share option plan allows Company employees, directors, officers, consultants and charitable organizations to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in equity.

Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

(d) *Income taxes*

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income or loss. Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(e) *Financial instruments*

All financial instruments are classified as one of the following: loans and receivables, fair value through profit or loss ("FVTPL"), available-for-sale, or other financial liabilities. Financial assets and liabilities FVTPL are measured at fair value with gains and losses recognized in net income. Financial assets, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Consolidated Financial Statements

December 31, 2017

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) *Financial instruments (continued)*

Transaction costs that are directly attributable to the acquisition or issue of financial instruments that are classified as, loans and receivables, or other financial liabilities are included in the initial carrying value of such instruments and amortized using the effective interest method. Transaction costs classified as FVTPL are expensed when incurred, while those classified as available for sale are included in the initial carrying value.

Cash is classified as loans and receivables, and trade and other payables are classified as other financial liabilities.

(f) *New standards and interpretations not yet adopted*

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement of financial assets, which is effective for annual periods beginning on or after January 1, 2018. The Company does not expect the adoption of this standard to have a significant measurement impact on its consolidated financial statements.

4. EQUITY

(a) *Authorized*

Unlimited common shares with no par value
Unlimited preferred shares with no par value

(b) *Issued and fully paid common shares*

In January 2017, the Company completed a common share stock split on the basis of three new common shares for each one old common share. All common share and common per share amounts in these financial statements have been retroactively restated to reflect the stock split.

During the year ended December 31, 2017, the Company closed a non-brokered private placement of 24,000,000 common shares at a price of \$0.06 per share for gross proceeds of \$1,440,000. Proceeds of \$199,980 relating to this non-brokered private placement were received during the period ended December 31, 2016. Cash share issue costs of \$16,038 were incurred in relation to the private placement.

During the period ended December 31, 2016, the Company closed a private placement of 30,000,000 common shares at a price of \$0.017 per share for proceeds of \$500,000.

As at December 31, 2017, 56,798,577 common shares were issued and outstanding (December 31, 2016: 32,798,577 shares).

(c) *Escrow shares*

The Company entered into an escrow agreement with certain shareholders in December 2009. Shares will remain in escrow until the Company completes a Qualifying Transaction and then will be released over the course of 36 months.

As at December 31, 2017, 4,108,572 (December 31, 2016: 4,108,572) shares remained in escrow.

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Consolidated Financial Statements

December 31, 2017

(Expressed in Canadian dollars)

4. EQUITY (continued)

(d) Share options

The Company has adopted an incentive share option plan which provides that the Board of Directors of the Company may from time to time, in its discretion and in accordance with TSX-V requirements, grant non-transferable share options to purchase common shares, provided that the number of common shares reserved for issuance in any twelve month period will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant at a price not less than the closing price of the Company's shares on the last trading day before the grant of such options.

During the period ended December 31, 2016, the Company granted an aggregate of 3,270,000 share options to directors, officers and consultants, exercisable at a price of \$0.06 per share until December 9, 2026. Using the Black-Scholes option pricing model, the grant date fair value was \$145,135, or \$0.04 per option, using the following assumptions:

	2016
Risk-free interest rate	2.23%
Expected life (years)	10 years
Annualized volatility	75.00%
Dividend rate	0.00%

Following is a summary of changes in share options outstanding:

	Number of options	Weighted average exercise price
Balance, January 31, 2016	-	\$ -
Granted	3,270,000	0.06
Balance, December 31, 2016 and December 31, 2017	3,270,000	\$ 0.06

The following table summarizes information about share options outstanding at December 31, 2017:

Outstanding and exercisable	Exercise price	Expiry date
3,270,000	\$ 0.06	December 9, 2026

5. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

There was no key management personnel compensation during the year ended December 31, 2017 (period ended December 31, 2016: \$139,809). During the year ended December 31, 2017, a former director of the Company agreed to forgive \$7,560 of trade and other payables owing to this former director, and accordingly the Company recorded this amount as a write-off of trade and other payables in the statement of loss and comprehensive loss. As at December 31, 2017, \$nil was due to this former director of the Company (December 31, 2016: \$10,862).

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Consolidated Financial Statements

December 31, 2017

(Expressed in Canadian dollars)

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

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:

Credit risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at a large international financial institution. Amounts receivable is comprised of GST refundable from the Canadian Government. The maximum exposure to credit risk is equal to the fair value or carrying value of these financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources. Historically, the Company's source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain and there can be no assurance of continued access to significant funding from these sources. Management has concluded that the Company does not have adequate financial resources to settle obligations as at December 31, 2017, and will require additional funding to continue operations for the next twelve months (Note 1).

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's reporting currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars. The Company maintains Canadian and US dollar bank accounts in Canada. The Company is subject to gains and losses from fluctuations in the US dollar against the Canadian dollar.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account.

7. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to maintain a flexible capital structure which will allow it to pursue the completion of a Qualified Transaction in accordance with Policy 2.4 of the TSX-V. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms and approved by the TSX-V. There were no changes in the Company's approach to capital management during the year ended December 31, 2017.

BeMetals Corp. (formerly BQ Metals Corp.)

Notes to the Consolidated Financial Statements

December 31, 2017

(Expressed in Canadian dollars)

8. INCOME TAX

The provision for income taxes reported differs from the amounts computed by applying the cumulative Canadian federal and provincial income tax rates to the loss before income taxes due to the following:

	Year ended December 31, 2017	Eleven months ended December 31, 2016
Loss for the year	\$ (1,787,790)	\$ (249,825)
Expected income tax recovery	\$ (464,825)	\$ (64,955)
Change in unrecognized deductible temporary differences	464,825	64,955
Total income tax recovery	\$ -	\$ -

The Company recognizes the benefit of tax losses only to the extent of anticipated future taxable income that can be reduced by the tax losses. The tax pools relating to these deductible temporary differences expiring 2037 are as follows:

	December 31, 2017	January 31, 2016
Temporary Differences		
Non-capital losses available for future period	\$ 2,675,339	\$ 887,549

9. SUBSEQUENT EVENTS

Acquisition Agreement

In February 2018, the Company entered into an agreement to acquire up to a 72% interest in the Project (Note 1). The Company can acquire a 67.5% interest in the Project over a five year period by expending US \$2.5 million on exploration, incurring cash payments of US \$1.45 million, and issuing 500,000 shares. Following acquisition of the initial 67.5% interest the Company can acquire an additional 4.5% interest by completing a feasibility study and making a further cash payment of US \$750,000.

Share Options

In February 2018, the Company granted 2,250,000 share options to a director, exercisable at a price of \$0.24 per share until February 27, 2028, with vesting over a period of three years.

MIZA ENTERPRISES INC.
(FORMERLY PACIFIC LINK CAPITAL INC.)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JANUARY 31, 2016
(Expressed in Canadian Dollars)

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DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Miza Enterprises Inc.:

We have audited the accompanying financial statements of Miza Enterprises Inc., which comprise the statement of financial position as at January 31, 2016, and the statement of loss and comprehensive loss, changes in shareholders' deficit and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Miza Enterprises Inc. as at January 31, 2016, and its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Miza Enterprises Inc.'s ability to continue as a going concern.

Other Matters

The financial statements of Miza Enterprises Inc. for the year ended January 31, 2015 were audited by another auditor who expressed an unmodified opinion on May 29, 2015.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
May 30, 2016

An independent firm associated with
Moore Stephens International Limited

MOORE STEPHENS

MIZA ENTERPRISES INC.
(FORMERLY PACIFIC LINK CAPITAL INC.)
STATEMENTS OF FINANCIAL POSITION
AS AT JANUARY 31, 2016 AND 2015
Expressed in Canadian Dollars

	<u>January 31, 2016</u>	<u>January 31, 2015</u>
ASSETS		
CURRENT		
Cash (note 4)	\$ 993	\$ 53,488
Prepaid expenses	-	608
Receivables (note 5)	1,093	2,262
	\$ 2,086	\$ 56,358
LIABILITIES AND SHAREHOLDERS' DEFICIT		
LIABILITIES		
CURRENT		
Accounts payable	\$ 1,442	\$ 2,095
Accrued liabilities (note 6)	8,517	7,700
Amount due to related parties (note 9)	4,772	-
Loan payable (note 7)	117,622	105,622
	132,353	115,417
SHAREHOLDERS' DEFICIT		
SHARE CAPITAL (note 8)	421,133	421,133
OBLIGATION TO ISSUE SHARES (note 7)	20,000	20,000
RESERVES	179,083	179,083
DEFICIT	(750,483)	(679,275)
	(130,267)	(59,059)
	\$ 2,086	\$ 56,358

Nature and continuance of operations (note 1)

Subsequent events (note 14)

APPROVED ON BEHALF OF THE BOARD

"Azim Dhalla" **DIRECTOR**

"Paul Pang" **DIRECTOR**

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

MIZA ENTERPRISES INC.
(FORMERLY PACIFIC LINK CAPITAL INC.)
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
AS AT JANUARY 31, 2016 AND 2015
Expressed in Canadian Dollars

	Share capital		Obligation to issue shares	Reserves	Deficit	Total
	Number of shares	Amount				
Balance, January 31, 2014	932,857	\$ 421,133	\$ -	\$ 179,083	\$ (587,395)	\$ 12,821
Bonus shares to be issued (note 7)	-	-	20,000	-	-	20,000
Net loss for the year	-	-	-	-	(91,880)	(91,880)
Balance, January 31, 2015	932,857	421,133	20,000	179,083	(679,275)	(59,059)
Net loss for the year	-	-	-	-	(71,208)	(71,208)
Balance, January 31, 2016	932,857	\$ 421,133	\$ 20,000	\$ 179,083	\$ (750,483)	\$ (130,267)

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

MIZA ENTERPRISES INC.
(FORMERLY PACIFIC LINK CAPITAL INC.)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED JANUARY 31, 2016 AND 2015
Expressed in Canadian Dollars

	<u>2016</u>	<u>2015</u>
OPERATING & ADMINISTRATIVE EXPENSES		
Bank charge & interest	271	373
Business development expenses	2,981	11,938
Filing and transfer agency fees	16,944	14,518
Insurance	6,000	-
Loan interest (note 7)	12,000	5,622
Office & sundries (note 9)	12,820	21,800
Professional fees	20,192	17,629
Financing expense (note 7)	-	20,000
	71,208	91,880
LOSS AND COMPREHENSIVE LOSS FOR YEAR		
	(71,208)	(91,880)
Basic and diluted loss per common share		
	\$ (0.10)	\$ (0.13)
Weighted average number of common shares outstanding:		
Basic & diluted (note 8)	730,000	730,000

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

MIZA ENTERPRISES INC.
(FORMERLY PACIFIC LINK CAPITAL INC.)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JANUARY 31, 2016 AND 2015
Expressed in Canadian Dollars

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss for the year	\$ (71,208)	\$ (91,880)
Items not affecting cash		
Accrued loan interest payable	12,000	5,622
Changes in non-cash working capital items:		
Prepays	608	225
Receivables	1,169	(269)
Accounts payable and accrued liabilities	164	15,943
NET CASH USED IN OPERATING ACTIVITIES	(57,267)	(70,359)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Loan payable	-	100,000
Advance from related parties	4,772	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	4,772	100,000
CHANGE IN CASH DURING THE YEAR	(52,495)	29,641
CASH, BEGINNING OF YEAR	53,488	23,847
CASH, END OF YEAR	\$ 993	\$ 53,488

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

MIZA ENTERPRISES INC.
(FORMERLY PACIFIC LINK CAPITAL INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JANUARY 31, 2016
Expressed in Canadian Dollars

1. Nature and continuance of operations

Miza Enterprises Inc. (formerly Pacific Link Capital Inc.) (the "Company") was incorporated on February 4, 2008 under the Business Corporations Act of the Province of British Columbia. On March 24, 2010, the Company completed its initial public offering and commenced trading on Tier 2 of the TSX Venture Exchange ("TSX-V") under the symbol "MZA.H" (Formerly "PCL.H").

As a Capital Pool Company ("CPC"), the Company has no material commercial operations and no material assets other than cash. The Company's cash will be used to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction as defined by the TSX-V.

On July 3, 2012, the Company's tier classification was changed from Tier 2 of the TSX-V to the NEX Board as the Company did not complete its Qualifying Transaction within the prescribed time frame.

As at January 31, 2016, the Company has a working capital deficiency of \$130,267 (2015 - \$79,059). In addition, the Company has accumulated losses of \$750,483. The Company's continuing operations are dependent upon its ability to raise the required capital and to identify, evaluate and negotiate an acquisition of, a participation in, or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholders' approval. These facts cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

2. Basis of presentation

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These financial statements represent the Company's presentation of its results and financial position under IFRS. These accounting policies are based on the IFRS standards and International Financial Reporting Interpretations Committee ("IFRIC") interpretations that the Company expects to be applicable at that time. The policies set out below were consistently applied to all periods presented unless otherwise noted.

(b) Statement of presentation and functional currency

The financial statements have been prepared on the historical cost basis except for cash flow information and financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3.

These financial statements were approved and authorized for issued by the Company's board of directors on May 30, 2016.

Where applicable, comparative figures have been reclassified to conform to the presentation used in the current year.

These financial statements are presented in Canadian (CAD) dollars.

MIZA ENTERPRISES INC.
(FORMERLY PACIFIC LINK CAPITAL INC.)
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3. Significant accounting policies

(a) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. The Company's cash and cash equivalents are invested with a major financial institution in bankers' acceptances which are available on demand by the Company.

(b) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

(c) Share-based compensation

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and charged to income using a graded vesting attribution method over the vesting period of the options, with a corresponding credit to reserves. The fair value of the options granted is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that were expected to vest.

(d) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributed to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

(e) Income taxes

Current tax for each taxable entity in the Company is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the statement of financial position date, and includes adjustments to tax payable or recoverable in respect of previous periods.

Deferred tax is accounted for using the asset and liability method, providing for the tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their respective tax bases.

Deferred income tax liabilities are recognized for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

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(FORMERLY PACIFIC LINK CAPITAL INC.)
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3. Significant accounting policies (continued)

(f) Financial instruments

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss ("FVTPL") - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category consists of liabilities carried at amortized cost using the effective interest method.

The following is a summary of the classes of financial instruments included in the Company's Statements of Financial Position and their designation by the Company under the new accounting standard for financial instruments:

Balance sheet item	Designation
Cash	FVTPL
Receivables	Loans and receivables
Accounts payable	Other liabilities
Loan payable	Other liabilities
Due to related parties	Other liabilities

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3. Significant accounting policies (continued)

(f) Financial instruments (continued)

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. All of financial assets carried at fair value are using a level 1 fair value measurement.

(g) Use of Estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect events concerning the future. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets.

(h) Significant judgements

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification of financial instruments.

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3. Significant accounting policies (continued)

- (i) Adoption of new accounting standards and upcoming changes

The following standards have been issued but are not yet effective:

IFRS 9 – Financial Instruments

This standard is intended to replace IAS 39 Financial Instruments: Recognition and Measurement and uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. For financial liabilities designated at fair value through profit or loss, a company can recognize the portion of the change in fair value related to the change in the company's own credit risk through other comprehensive income rather than profit or loss. The new standard also requires a single impairment method to be used and incorporates new hedge accounting requirements. The new standard is effective for annual periods beginning on or after January 1, 2018. Management is currently assessing the potential impact of the adoption of IFRS 9 on the financial statements.

IFRS 15 – Revenue from Contracts with Customers

In May 2014, IASB issued IFRS 15 to replace IAS 18 – Revenue, which establishes a new single five-step control-based revenue recognition model for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

These and other accounting standards or amendments to existing accounting standards that have been issued but have future effect dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Cash

	2016	2015
Cash in bank	\$ 993	\$ 53,488

5. Receivables

	2016	2015
GST receivable	\$ 1,093	\$ 2,262

6. Accrued liabilities

	2016	2015
Other liabilities	\$ 8,517	\$ 7,700
Accrued financing expense (note 7)	-	20,000
Total	\$ 8,517	\$ 27,700

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(FORMERLY PACIFIC LINK CAPITAL INC.)
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7. Loan payable

	2016	2015
Loan payable	\$ 117,622	\$ 105,622

The Company borrowed an amount of \$100,000 from a third party; the loan is unsecured, bearing an interest rate of 12% per annum for a minimum of six-month term or until the proposed financing of \$500,000 is in place, whichever is later (Note 14). The Company accrued loan interest of \$17,622 which has been included in the total amount of loan payable outstanding as at January 31, 2016. Subsequent to January 31, 2016, the loan was repaid (Note 14).

On December 10, 2014, the Company agreed to, subject to approval by applicable regulatory authorities, the allotment, issuance and delivery to a third party, of 57,143 (400,000 on a pre-consolidated basis) fully paid and non-assessable common shares in the capital of the Company at an issue price of \$ 0.35 (\$ 0.05 on a pre-consolidated basis) per common share as bonus shares regarding the unsecured loan on August 13, 2014. In fiscal 2015, a financing expense of \$20,000 was recorded as an obligation to issue shares. At January 31, 2016, the bonus shares remain issuable.

8. Share Capital

Authorized

An unlimited number of common shares without par value.

An unlimited number of preferred shares without par value.

Effective April 23, 2015, the Company consolidated its 6,530,001 old common shares, exchanging 7 (old) common shares for 1 (new) common share resulting in 932,857 common shares outstanding. All common shares and per share amounts in these financial statements have been adjusted to give retroactive effect to the 7:1 share consolidation that took effect.

There were no shares issued during the years ended January 31, 2016 and 2015.

Escrowed shares

As at January 31, 2012, 402,857 common shares are subject to an Escrow Agreement pursuant to policies of the TSX-V. Under the terms of the Escrow Agreement, 10% of the escrowed shares will be released from escrow upon the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on each of the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. Shares held in escrow will be cancelled should the Company fail to complete its Qualifying Transaction or become de-listed. On June 25, 2012, the Company announced that it did not completed its Qualifying Transaction within the prescribed time frame and therefore 200,000 shares held in escrow have been cancelled.

As at January 31, 2016, 202,857 (2015 – 202,857) shares remained in escrow. These escrow shares are not included in the calculation of weighted average number of shares outstanding for the purposes of calculating loss per share.

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(FORMERLY PACIFIC LINK CAPITAL INC.)
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8. Share capital (continued)

Stock options

The Company has established a "rolling" stock option plan (the "Plan") for the benefit of officers and directors of the Company. The maximum number of shares available under the Plan is limited to 10% of the issued common shares. Any shares issued in connection with the exercise of options before completion of the Qualifying Transaction must be deposited into escrow until the issuance of the Final Exchange Bulletin.

As at January 31, 2016, there was Nil (2015 - 84,000) stock options outstanding.

Summary of stock options outstanding as at January 31, 2016 and 2015 is as follows:

	2016		2015	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of year	84,000	\$ 0.70	84,000	\$ 0.70
Expired	(84,000)	0.70	-	-
Outstanding, end of year	-	\$ -	84,000	\$ 0.70

On March 25, 2015, the stock options for 84,000 shares with an exercise price of \$0.70 per common share expired, unexercised.

9. Related party transactions

The following transactions are in the normal course of business and is measured at the exchange amount of consideration established and agreed to by the related parties:

For the year ended January 31, 2016, the Company paid a total amount of \$9,450 (2015 - \$16,200) for office rent and office expenses to a company associated with a director.

As at January 31, 2016, recorded in accrued liabilities is \$2,100 (2015 - \$1,700) due to a company associated with a director. As at January 31, 2016, a director of the Company had advanced an amount of \$4,772 (2015 - \$Nil) to the Company. The advance is non-interest bearing, unsecured and has no terms of repayment.

10. Segment information

The Company has no operations and all assets are located in Canada.

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13. Income taxes and deferred tax assets and liabilities

The components of the Company's income tax recovery are as follows:

	2016	2015
Loss for the year	\$ (71,208)	\$ (91,880)
Statutory tax rates	26%	26%
Expected income tax recovery at the statutory rate	(18,514)	(23,889)
Increase (decrease) resulting from		
Change in valuation allowance	18,514	23,889
	\$ -	\$ -

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	2016	2015
Loss carry-forwards	\$ 165,525	\$ 147,011

At January 31, 2016, the Company has the following tax pools available for deduction in future year which expire as follows:

Year of expiry	Non-capital losses
2029	\$ 14,789
2030	22,557
2031	67,156
2032	175,460
2033	163,601
2034	31,073
2035	91,880
2036	70,118
	\$ 636,634

14. Subsequent events

- (a) Subsequent to January 31, 2016, the Company issued 10,000,000 common shares at a price of \$0.05 per share for proceeds of \$500,000.
- (b) The Company repaid the loan payable to a third party (Note 7).

SCHEDULE D

Management's Discussion and Analysis for the year ended December 31, 2017
and for the three month interim period ended March 31, 2018.

BeMetals Corp. (formerly BQ Metals Corp.)

Management's Discussion and Analysis
of Financial Condition and Results of Operations
Year ended December 31, 2017

Management's Discussion and Analysis

The following discussion is management's assessment and analysis of the results and financial condition of BeMetals Corp. (formerly BQ Metals Corp. and Miza Enterprises Inc.) (the "Company"), and should be read in conjunction with the accompanying audited financial statements and related notes. The financial information included in this report is derived from the Company's consolidated annual financial statements, which are prepared in accordance with International Financial Reporting Standards ("IFRS") and from the Company's consolidated interim financial statements, which are prepared in accordance with IFRS applicable to interim financial reporting, and all figures are reported in Canadian dollars unless otherwise indicated. The effective date of this report is April 24, 2018.

Description of Business and Corporate Highlights

The Company was incorporated on February 4, 2008 under the Business Corporations Act of the Province of British Columbia. In March 2010, the Company completed its initial public offering and commenced trading on Tier 2 of the TSX Venture Exchange ("TSX-V") as a Capital Pool Company ("CPC"). As a CPC, the Company has no material commercial operations and no material assets other than cash. The Company did not complete its Qualifying Transaction within 24 months as required by the TSX-V and was subsequently transferred to NEX, a separate board of the TSX-V, on July 3, 2012. The Company remains a CPC and the principal business is the identification and evaluation of assets and to negotiate an acquisition of or participation in a business (the "Qualifying Transaction").

In February 2018, the Company entered into an agreement to acquire up to a 72% interest in the Pangeni Project in the Zambian Copperbelt (the "Project"), which the Company intends to file with the TSX-V as its Qualifying Transaction. The Company can acquire a 67.5% interest in the Project over a five year period by expending US \$2.5 million on exploration, incurring cash payments of US \$1.45 million, and issuing 500,000 shares. Following acquisition of the initial 67.5% interest the Company can acquire an additional 4.5% interest by completing a feasibility study and making a further cash payment of US \$750,000.

The Project is located on the western extension of the Zambian Copperbelt underlain by Katangan Supergroup metasediments which are covered by a thin veneer of Kalahari sands. The Sentinel, open pit, Copper Mine is operated by First Quantum Minerals some 130 kilometres to the northeast of the Project. A number of other major international mining companies have identified this region of the Zambian Copperbelt to be prospective for the discovery of tier one copper mines and are conducting exploration field work. Limited historic work on the licence has included soil geochemistry, airborne magnetics and the core drilling of 5 holes totalling 1000 metres in two different initial geochemical anomalies approximately 20 kilometres apart.

The Central target was tested with 3 holes over 500 metres strike length with CT1 intersecting up to 6.1 meters containing 0.34 percent copper. In the South West target area, 2 holes tested 1200 metres of strike length and contained up to 0.48 percent copper over 5.5 metres in SW 1.

These mineralized zones remain open to additional drill testing and other areas of the licence largely unexplored. The encouraging initial drilling results provide significant proof of concept, of the exploration potential and indicate that further copper mineralization can be discovered under the extensive Kalahari sand cover within the license. The agreement and acquisition remains subject to approval by the TSX-V.

In February 2018, the Company appointed John Wilton as Chief Executive Officer and President and to the board of directors of the Company. Additionally, Harry Pokrandt resigned as a director of the Company. The Board of Directors is now comprised of John Wilton, Clive Johnson, Roger Richer and Tom Garagan.

In April 2018, the Company changed its name to BeMetals Corp. from BQ Metals Corp. (previously Miza Enterprises Inc.) In connection with the name change, the Company's trading symbol on the NEX board of the TSX Venture Exchange was changed to "BMET.H". In February 2017, the Company determined to change its financial year end from January 31 to December 31, with the transition year being February 1, 2016 to December 31, 2016. In January 2017, the Company completed a common share stock split on the basis of three new common shares for each one old common share. All common share and per common share amounts in these financial statements have been retroactively restated to reflect

BeMetals Corp. (formerly BQ Metals Corp.)

Management's Discussion and Analysis
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the stock split. The Company's head office address is 3123 – 595 Burrard Street, Vancouver, BC, V7X 1J1. The registered and records office address is 2500 – 700 W. Georgia Street, Vancouver BC, V7Y 1B3.

Outlook

The Company intends to file the Project as its Qualifying Transaction with the TSX-V and preparation of an independent 43-101 Technical Report is in advanced stages. The Company plans to commence exploration at the Project in the first half of 2018, led by its new CEO and President John Wilton and in partnership with the other stakeholders in the Project - Copper Cross Zambia and Pangeni Mineral Resources Limited.

The Company continues to aggressively identify and evaluate other potential opportunities as part of its growth strategy with the goal of becoming a significant base metals company through the acquisition of quality exploration, development and production stage base metal projects. This strategy is directed by the Board, key members of which have an extensive, proven track record in delivering considerable value in the mining sector through the discovery and building of mines.

Overall Performance and Results of Operations

Total assets decreased to \$148,999 at December 31, 2017, from \$495,758 at December 31, 2016. The most significant asset at December 31, 2017, was cash of \$105,869 (December 31, 2016: \$488,599). The decrease in cash was primarily due to \$1,606,712 used in operating activities partially offset by \$1,223,982 in proceeds on issuance of common shares, net of share issue costs.

During the year ended December 31, 2017, the Company entered into an agreement to acquire an operating mine with a development asset and subsequently a number of conditions to closing were not met and the Company elected to terminate the transaction (the "Europe Project").

Three months ended December 31, 2017, and two-month period ended December 31, 2016

Loss and comprehensive loss for the three months ended December 31, 2017, decreased by \$100,630 from \$181,729 for the two-month period ended December 31, 2016, to \$81,099 for the three months ended December 31, 2017. The decrease in loss and comprehensive loss is largely due to:

- A decrease of \$145,135 in share-based compensation. Share-based compensation was \$nil for the three months ended December 31, 2017, compared to \$145,135 for the two-month period ended December 31, 2016. No share options were granted or vested during the current period, whereas 3,270,000 share options were granted and fully vested in the prior period.

The decrease in loss was partially offset by:

- An increase of \$33,216 in professional fees. Professional fees were \$32,916 for the three months ended December 31, 2017, compared to \$nil for the two-month period ended December 31, 2016. This was due to higher legal fees in the current period, mainly in connection with the Europe Project.

Year ended December 31, 2017, and eleven-month period ended December 31, 2016

Loss and comprehensive loss for the year ended December 31, 2017, increased by \$1,537,965 from \$249,825 for the eleven-month period ended December 31, 2016, to \$1,787,790 for the year ended December 31, 2017. The increase in loss and comprehensive loss is largely due to:

- An increase of \$989,944 in professional fees. Professional fees were \$1,015,690 for the year ended December 31, 2017, compared to \$25,746 for the eleven-month period ended December 31, 2016. This was due to higher legal fees relating to the Europe Project in the current period compared to the prior comparative period.

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- An increase of \$639,860 in consulting fees. Consulting fees were \$669,225 for the year ended December 31, 2017, compared to \$29,365 for the eleven-month period ended December 31, 2016. This was due to consulting expenses relating to the Europe Project and payments made in accordance with a corporate administration mandate agreement entered into in December 2016.

Liquidity and Capital Resources

As at December 31, 2017, the Company had a working capital deficit of \$118,875. The Company does not currently have a recurring source of revenue and does not currently have sufficient financial resources to cover its operating costs and undertake its currently planned programs for the next twelve months. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company. The uncertainty of the Company's success in raising additional capital funding casts significant doubt on the Company's ability to continue as a going concern.

During the year ended December 31, 2017, the Company closed a non-brokered private placement of 24,000,000 common shares at a price of \$0.06 per share for gross proceeds of \$1,440,000. Proceeds of \$199,980 relating to this non-brokered private placement were received during the period ended December 31, 2016. Cash share issue costs of \$16,038 were incurred in relation to the private placement.

The Company has no bank debt or banking credit facilities in place.

Selected Annual Information

	Year ended December 31, 2017	Eleven-month period ended December 31, 2016	Year ended January 31, 2016
Total assets	\$ 148,999	\$ 495,758	\$ 2,086
Net loss and comprehensive loss	\$ (1,787,790)	\$ (249,825)	\$ (71,208)
Basic and diluted loss per share	\$ (0.03)	\$ (0.01)	\$ (0.03)

Summary of Quarterly Results

	Three months ended December 31, 2017	Three months ended September 30, 2017	Three months ended June 30, 2017	Three months ended March 31, 2017
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss and comprehensive loss	(81,099)	(38,118)	(1,157,423)	(511,150)
Basic and diluted loss per share	(0.00)	(0.00)	(0.02)	(0.01)

	Two-month period ended December 31, 2016	Three months ended October 31, 2016	Three months ended July 31, 2016	Three months ended April 30, 2016
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss and comprehensive loss	(181,729)	(34,167)	(13,161)	(20,768)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.00)

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The increase in net loss for the three months ended June 30, 2017, and March 31, 2017, and the two-month period ended December 31, 2016, was primarily the result of increased consulting expenses and legal fees relating to the Europe Project.

Outstanding Share Data

As at the date of this report, there were 56,798,577 common shares issued and outstanding, of which 4,108,572 common shares remain in escrow.

In February 2018, the Company granted 2,250,000 share options to a director, exercisable at a price of \$0.24 per share until February 27, 2028, with vesting over a period of three years.

As at the date of this report, there were 5,520,000 share options outstanding.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

There was no key management personnel compensation during the year ended December 31, 2017 (period ended December 31, 2016: \$139,809). During the year ended December 31, 2017, a former director of the Company agreed to forgive \$7,560 of trade and other payables owing to this former director, and accordingly the Company recorded this amount as a write-off of trade and other payables in the statement of loss and comprehensive loss. As at December 31, 2017, \$nil was due to this former director of the Company (December 31, 2016: \$10,862).

Critical Accounting Policies and Estimates

The Company has prepared the accompanying financial statements in accordance with IFRS. Significant accounting policies are described in Note 3 of the Company's financial statements as at and for the year ended December 31, 2017.

The preparation of 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 financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement of financial assets, which is effective for annual periods beginning on or after January 1, 2018. The Company does not expect the adoption of this standard to have a significant measurement impact on its consolidated financial statements.

Risks and Uncertainties

The Company is engaged in the acquisition and exploration of natural resource properties, an inherently risky business, and there is no assurance that economically recoverable resources will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of economically recoverable resources. Exploration activities require large amounts of capital. There is a risk that during the current difficult economic situation the Company will not be able to raise sufficient funds to finance its projects to a successful development and production stage.

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While the Company's management and technical team carefully evaluate all potential projects prior to committing the Company's participation and funds, there is a high degree of risk that the Company's exploration efforts will not result in discovering economically recoverable resources.

The Company depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term.

Financial Instruments and Financial Risk Management

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:

Credit risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at a large international financial institution. Amounts receivable is comprised of GST refundable from the Canadian Government. The maximum exposure to credit risk is equal to the fair value or carrying value of these financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources. Historically, the Company's source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain and there can be no assurance of continued access to significant funding from these sources. Management has concluded that the Company does not have adequate financial resources to settle obligations as at December 31, 2017, and will require additional funding to continue operations for the next twelve months.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's reporting currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars.

The Company maintains Canadian and US dollar bank accounts in Canada. The Company is subject to gains and losses from fluctuations in the US dollar against the Canadian dollar.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account.

BeMetals Corp. (formerly BQ Metals Corp.)

Management's Discussion and Analysis
of Financial Condition and Results of Operations
Year ended December 31, 2017

Caution Regarding Forward Looking Information

This Management Discussion and Analysis may contain certain "forward-looking statements" within the meaning of Canadian securities legislation. Forward-looking statements are statements that are not historical facts; they involve predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "aims", "potential", "goal", "objective", "prospective", and similar expressions, or that events or conditions "will", "would", "may", "can", "could" or "should" occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they include a number of known and unknown risks and uncertainties and other factors. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward looking information	Assumptions	Risk Factors
The Company's anticipated plans, costs, timing and capital for future development of the Company's mineral exploration properties.	Financing will be available for future exploration and development of the Company's properties; the actual results of the Company's exploration and development activities will be favourable; exploration and development costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff, all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of precious and base metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
The Company's ability to carry out anticipated exploration on its mineral exploration properties	The operating and exploration activities of the Company for the twelve months ending December 31, 2018, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.

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of Financial Condition and Results of Operations
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Forward looking information	Assumptions	Risk Factors
Plans, costs, timing and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations	Financing will be available for the Company's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company' the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company' the price of precious and base metals will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
Management's outlook regarding future trends	Financing will be available for the Company's exploration and operating activities; the price of precious and base metals will be favourable to the Company; required regulatory approvals for the acquisition of mineral properties will be received.	Precious and base metals price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.

Inherent in forward looking statements are risks, uncertainties and other factors beyond the control of the Company's ability to predict or control. Please make reference to those risk factors referenced in the "risk factors" section above and as discussed in greater detail in the Company's various filings on SEDAR (www.sedar.com) with Canadian Securities Regulators. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and development are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements outlined in this MD&A.

Forward-looking statements include known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by the cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise review any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information

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contained in the unaudited condensed interim consolidated financial statements and the audited annual consolidated financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

BeMetals Corp. (formerly BQ Metals Corp.)

Management's Discussion and Analysis
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Management's Discussion and Analysis

The following discussion is management's assessment and analysis of the results and financial condition of BeMetals Corp. (the "Company"), and should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements and related notes. The preparation of financial data is in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated. The effective date of this report is May 29, 2018 and has been amended from the previously filed report to correct certain typographical errors including the wording of the exploration and evaluation accounting policy.

Description of Business and Corporate Highlights

The Company was incorporated on February 4, 2008 under the Business Corporations Act of the Province of British Columbia. In March 2010, the Company completed its initial public offering and commenced trading on Tier 2 of the TSX Venture Exchange ("TSX-V") as a Capital Pool Company ("CPC"). As a CPC, the Company has no material commercial operations and no material assets other than cash. The Company did not complete its Qualifying Transaction within 24 months as required by the TSX-V and was subsequently transferred to NEX, a separate board of the TSX-V, on July 3, 2012. The Company remains a CPC and the principal business is the identification and evaluation of assets and to negotiate an acquisition of or participation in a business (the "Qualifying Transaction").

In February 2018, the Company entered into an agreement with Copper Cross Zambia Limited to acquire up to a 72% interest in the Pangeni Project in the Zambian Copperbelt (the "Pangeni Project"), which the Company intends to file with the TSX-V as its Qualifying Transaction. The Company can acquire a 67.5% interest in the Pangeni Project over a five year period by expending US \$2.5 million on exploration, incurring cash payments of US \$1.45 million, and issuing 500,000 shares. Following acquisition of the initial 67.5% interest the Company can acquire an additional 4.5% interest by completing a feasibility study and making a further cash payment of US \$750,000. The US\$2.5 million to be spent on exploration work is an obligation under the agreement upon completion of the Qualifying Transaction and will be required to be satisfied by either expenditures on exploration activities or by cash payments to Copper Cross Zambia Limited. At the commencement of the mine development phase, and following a feasibility study, a one-off milestone payment would be payable, based upon total proven and probable mineral reserves, as follows: US\$2 million if less than 500kt contained copper, US\$3 million if the contained copper is between 500kt and 1,000kt, and US\$6 million if greater than 1,000kt contained copper. Upon commencement of production, Pangeni Mineral Resources Limited is entitled to a 3% Net Smelter Royalty (which may be reduced to 1% following the royalty reduction payment by the Company, determined by an internationally recognised valuator, which is not to exceed US\$3.3 million).

The Pangeni Project is located on the western extension of the Zambian Copperbelt underlain by Katangan Supergroup metasediments which are covered by a thin veneer of Kalahari sands. The Sentinel, open pit, Copper Mine is operated by First Quantum Minerals some 130 kilometres to the northeast of the Pangeni Project. A number of other major international mining companies have identified this region of the Zambian Copperbelt to be prospective for the discovery of tier one copper mines and are conducting exploration field work. Limited historic work on the licence has included soil geochemistry, airborne magnetics and the core drilling of 5 holes totalling 1000 metres in two different initial geochemical anomalies approximately 20 kilometres apart.

The Central target was tested with 3 holes over 500 metres strike length with CT1 intersecting up to 6.1 meters containing 0.34 percent copper. In the South West target area, 2 holes tested 1200 metres of strike length and contained up to 0.48 percent copper over 5.5 metres in SW 1.

These mineralized zones remain open to additional drill testing and other areas of the licence largely unexplored. The encouraging initial drilling results provide significant proof of concept, of the exploration potential and indicate that further copper mineralization can be discovered under the extensive Kalahari sand cover within the license. The agreement and acquisition remains subject to approval by the TSX-V.

In February 2018, the Company appointed John Wilton as Chief Executive Officer and President and to the board of directors of the Company. Additionally, Harry Pokrandt resigned as a director of the Company. The Board of Directors is now comprised of John Wilton, Clive Johnson, Roger Richer and Tom Garagan.

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In April 2018, the Company changed its name to BeMetals Corp. from BQ Metals Corp. (previously Miza Enterprises Inc.). In connection with the name change, the Company's trading symbol on the NEX board of the TSX Venture Exchange was changed to "BMET.H". The Company's head office address is 3123 – 595 Burrard Street, Vancouver, BC, V7X 1J1. The registered and records office address is 2500 – 700 W. Georgia Street, Vancouver BC, V7Y 1B3.

Outlook

The Company intends to file the Pangen Project as its Qualifying Transaction with the TSX-V and preparation of an independent 43-101 Technical Report is in advanced stages. The Company plans to commence exploration at the Pangen Project in the first half of 2018, led by its new CEO and President John Wilton and in partnership with the other stakeholders in the Pangen Project - Copper Cross Zambia Limited and Pangen Mineral Resources Limited.

The Company continues to aggressively identify and evaluate other potential opportunities as part of its growth strategy with the goal of becoming a significant base metals company through the acquisition of quality exploration, development and production stage base metal projects. This strategy is directed by the Board, key members of which have an extensive, proven track record in delivering considerable value in the mining sector through the discovery and building of mines.

Overall Performance and Results of Operations

Total assets increased to \$153,873 at March 31, 2018, from \$148,999 at December 31, 2017. The most significant assets at March 31, 2018, were cash of \$21,669 (December 31, 2017: \$105,869), amounts receivable of \$43,130 (December 31, 2017: \$43,130), and exploration and evaluation assets of \$87,824 (December 31, 2017: \$nil). The decrease in cash was due to \$21,665 used in operating activities and \$62,535 used in investing activities.

During the three months ended March 31, 2018, the Company entered into an agreement to acquire up to a 72% interest in the Pangen Project. During the year ended December 31, 2017, the Company entered into an agreement to acquire an operating mine with a development asset and subsequently a number of conditions to closing were not met and the Company elected to terminate the transaction (the "Europe Project").

Net loss and comprehensive loss for the three months ended March 31, 2018, decreased by \$336,066 from \$511,150 for the three months ended March 31, 2017, to \$175,084 for the three months ended March 31, 2018. The decrease in net loss and comprehensive loss is largely due to:

- A decrease of \$204,622 in consulting fees. Consulting fees were \$30,000 for the three months ended March 31, 2018, compared to \$234,622 for the three months ended March 31, 2017. This was due to higher consulting fees in the prior period, mainly relating to the Europe Project.
- A decrease of \$200,014 in professional fees. Professional fees were \$35,847 for the three months ended March 31, 2018, compared to \$235,861 for the three months ended March 31, 2017. This was due to higher professional fees in the prior period, mainly relating to the Europe Project.
- A decrease of \$27,995 in travel. Travel was \$nil for the three months ended March 31, 2018, compared to \$27,995 for the three months ended March 31, 2017. This was due to higher travel costs in the prior period, mainly relating to the Europe Project.

The decrease in net loss and comprehensive loss was partially offset by:

- An increase of \$62,144 in share-based compensation. Share-based compensation was \$62,144 for the three months ended March 31, 2018, compared to \$nil for the three months ended March 31, 2017. 2,250,000 share options were granted, of which 250,000 share options vested in the current period, whereas none vested in the prior period.

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Liquidity and Capital Resources

As at March 31, 2018, the Company had a working capital deficit of \$319,549. The Company does not currently have a recurring source of revenue and does not currently have sufficient financial resources to cover its operating costs and undertake its currently planned programs for the next twelve months. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company. The uncertainty of the Company's success in raising additional capital funding casts significant doubt on the Company's ability to continue as a going concern.

The Company has no bank debt or banking credit facilities in place.

Summary of Quarterly Results

	Three months ended March 31, 2018	Three months ended December 31, 2017	Three months ended September 30, 2017	Three months ended June 30, 2017
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss and comprehensive loss	(175,084)	(81,099)	(38,118)	(1,157,423)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.02)

	Three months ended March 31, 2017	Two-month period ended December 31, 2016	Three months ended October 31, 2016	Three months ended July 31, 2016
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss and comprehensive loss	(511,150)	(181,729)	(34,167)	(13,161)
Basic and diluted loss per share	(0.01)	(0.01)	(0.00)	(0.00)

The increase in net loss and comprehensive loss for the three months ended March 31, 2018, was primarily the result of share-based compensation. The increase in net loss and comprehensive loss for the three months ended June 30, 2017, and March 31, 2017, was primarily the result of increased consulting expenses and legal fees relating to the Europe Project.

Outstanding Share Data

As at the date of this report, there were 56,798,577 common shares issued and outstanding, of which 4,108,572 common shares remain in escrow.

In February 2018, the Company granted 2,250,000 share options to a director, exercisable at a price of \$0.24 per share until February 27, 2028, vesting over a period of three years.

As at the date of this report, there were 5,520,000 share options outstanding.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

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During the three months ended March 31, 2018, key management personnel compensation, including directors and officers, was comprised of \$98,557 (three months ended March 31, 2017: \$nil), \$62,144 of which related to share options granted to an officer of the Company and \$36,413 of which was management fees to the Chief Executive Officer of the Company. As at March 31, 2018, \$18,266 was due to the Chief Executive Officer of the Company and is included in trade and other payables in the statement of financial position.

Critical Accounting Policies and Estimates

The Company has prepared the accompanying financial statements in accordance with IFRS. Significant accounting policies are described in Note 3 of the Company's financial statements as at and for the year ended December 31, 2017, except for newly adopted accounting policies as noted below.

The preparation of 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 financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Adoption of new accounting policies

Effective January 1, 2018, the following standards were adopted but have had no material impact on the financial statements:

- IFRS 9: New standard that replaced IAS 39 for classification and measurement of financial assets, which is effective for annual periods beginning on or after January 1, 2018. Adoption of this standard did not have a significant measurement impact on the Company's consolidated financial statements.

Exploration and Evaluation Assets

The Company defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties as exploration and evaluation until the properties are placed in production, abandoned, sold or considered to be impaired in value. Once the technical feasibility and commercial viability of the extraction of mineral reserves or resources from a particular mineral property has been determined, exploration and evaluation expenditures are reclassified to "mineral properties and mine development costs". If no mineable ore body is discovered, such costs are expensed in the period in which it is determined the property has no future economic value. Exploration costs that do not relate to any specific property are expensed as incurred.

The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination of factors, such as but not limited to:

- The extent to which mineral reserves or mineral resources have been identified through a feasibility study or similar level document;
- The results of optimization studies and further technical evaluation carried out to mitigate project risks identified in the feasibility study;
- The status of environmental permits; and
- The status of mining leases or permits.

In addition, commercial viability is deemed to be achieved when the Company determines that the project will provide a satisfactory return relative to its perceived risks. Ore reserves and resources may be declared for an undeveloped mining project before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of reserves and approval to mine as further work is undertaken in order to refine the development case to maximize the project's returns.

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Risks and Uncertainties

The Company is engaged in the acquisition and exploration of natural resource properties, an inherently risky business, and there is no assurance that economically recoverable resources will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of economically recoverable resources. Exploration activities require large amounts of capital. There is a risk that during the current difficult economic situation the Company will not be able to raise sufficient funds to finance its projects to a successful development and production stage.

While the Company's management and technical team carefully evaluate all potential projects prior to committing the Company's participation and funds, there is a high degree of risk that the Company's exploration efforts will not result in discovering economically recoverable resources.

The Company depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term.

Financial Instruments and Financial Risk Management

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:

Credit risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of these financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources. Historically, the Company's source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is uncertain and there can be no assurance of continued access to significant funding from these sources. Management has concluded that the Company does not have adequate financial resources to settle obligations as at March 31, 2018, and will require additional funding to continue operations for the next twelve months (Note 1).

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's reporting currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars.

The Company maintains Canadian and US dollar bank accounts in Canada. The Company is subject to gains and losses from fluctuations in the US dollar against the Canadian dollar.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account.

BeMetals Corp. (formerly BQ Metals Corp.)

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The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward looking information	Assumptions	Risk Factors
The Company's anticipated plans, costs, timing and capital for future development of the Company's mineral exploration properties.	Financing will be available for future exploration and development of the Company's properties; the actual results of the Company's exploration and development activities will be favourable; exploration and development costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff, all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of precious and base metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.

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Management's Discussion and Analysis
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Three months ended March 31, 2018 and 2017

Forward looking information	Assumptions	Risk Factors
The Company's ability to carry out anticipated exploration on its mineral exploration properties	The operating and exploration activities of the Company for the twelve months ending December 31, 2018, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
Plans, costs, timing and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations	Financing will be available for the Company's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company' the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company' the price of precious and base metals will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
Management's outlook regarding future trends	Financing will be available for the Company's exploration and operating activities; the price of precious and base metals will be favourable to the Company; required regulatory approvals for the acquisition of mineral properties will be received.	Precious and base metals price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.

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CERTIFICATE OF THE ISSUER

DATED: July 18, 2018

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities BeMetals Corp., assuming Completion of the Qualifying Transaction.

ON BEHALF OF BEMETALS CORP.

"John Wilton"

"Kristen Reinertson"

John Wilton,
Chief Executive Officer, President
and a Director

Kristen Reinertson,
Chief Financial Officer, Corporate
Secretary and a Director

ON BEHALF OF THE BOARD OF DIRECTORS

"Clive T. Johnson"

"Roger Richer"

Clive T. Johnson,
Director

Roger Richer,
Director

ACKNOWLEDGEMENT – PERSONAL INFORMATION

"Personal Information" means any information about an identifiable individual, and includes information contained in any Items in the attached filing statement that are analogous to Items 4.2, 11, 12.1, 15, 17.2, 18.2, 23, 24, 26, 31.3, 32, 33, 34, 35, 36, 37, 38, 40 and 41 of Exchange Form 3B2, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to Exchange Form 3B2; and
- (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

DATED: July 18, 2018.

"John Wilton"

John Wilton,
Chief Executive Officer,
President and a Director