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Offering Document under the Listed Issuer Financing Exemption

May 9, 2023

TRANSITION METALS CORP.



Transition Metals

PART 1 SUMMARY OF OFFERING

What are we offering?

<p>Offering:</p>	<p>Transition Metals Corp. (“Transition” or the “Company”) is hereby offering up to 3,424,658 Charity Flow-Through Units (the “CFT Units”), up to 4,000,000 Flow-Through Units (the “FT Units”) and up to 2,500,000 units (the “HD Units” and together with the CFT Units and FT Units, the “Offered Units”) of the Company on a non-brokered private placement basis to persons subscribing hereunder (the “Purchasers”) on the terms and conditions set out herein and subject to all necessary regulatory approvals. The CFT Units and FT Units will be issued as “flow-through shares” within the meaning of subsection 66(15) of the <i>Income Tax Act</i> (Canada) (the “Tax Act”).</p> <p>The Offered Units will consist of one common share and one-half of one share purchase warrant. Each whole warrant will be exercisable for an additional common share at a price of \$0.15 for a period of two years.</p> <p>The Company may adjust the proportion of Offered Units as between CFT Units, FT Units and HD Units depending on demand. The offering is subject to a minimum of \$500,000 and a maximum of \$1,000,000.</p>
<p>Offering Price:</p>	<p>The CFT Units will be sold at a price of \$0.1168 per CFT Unit (the “CFT Offering Price”) for gross proceeds of up to \$400,000. The FT Units will be sold at a price of \$0.10 per FT Unit (the “FT Offering Price”) for gross proceeds of up to \$400,000. The HD Units will be sold at a price of \$0.08 (the “HD Offering Price”) for gross proceeds of up to \$200,000.</p>

Flow-Through Shares	The Company commits that it will incur sufficient Canadian exploration expense (“ CEE ” and as such term is defined in the Tax Act), on or before December 31, 2024 so as to enable the Company to renounce, on or before December 31, 2023, in favour of the Purchasers an amount which will qualify as “flow-through mining expenditures” (“ FTME ” and as defined in the Tax Act) equal to the gross proceeds raised from the issuance of Offered Units (together, the “ Qualifying Expenditures ”). In addition, the Company will pursue exploration activities that will target “critical minerals” (as defined in the Tax Act) and will qualify for the 30% critical minerals exploration tax credit described in the Tax Act
Re-Offering of the CFT Units	The Company understands that the initial Purchasers of the CFT Units may subsequently donate such CFT Units to registered charitable organizations, who may in turn choose to sell such CFT Units (the “ Re-Offered Shares ”) to purchasers at a price of \$0.08 per Re-Offered Unit (the “ Re-Offer Price ”) or sell such Re-Offered Units to purchasers at the Re-Offer Price. The Company will not be a party to any such arrangements.
Resale Restrictions	The Offered Units and the Re-Offered Units will be free trading in Canada; certain trading restrictions may apply outside of Canada.
Description of Securities Offered	Each common share in the capital of the Company is entitled to one vote at meetings of shareholders and carries with it equal rights with respect to dividends, if any, and entitlement to any assets or other residual interests upon dissolution of the Company in the event of a liquidation or winding-up of the Company whether voluntary or involuntary. Purchasers of the Offered Units have no pre-emptive rights, nor any right to convert their shares into other securities. No dividends will be paid in the foreseeable future. Other than the Canadian tax benefits available to the initial Purchaser, the Offered Units and Re-Offered Units are in all respects identical to each other and to all other common shares of the Company which are listed on the TSX Venture Exchange (“ TSX-V ”).
Closing Date:	Completion of this offering is expected to take place on or about May 25, 2023 (the “ Closing Date ”).
Exchange:	The Company’s Common Shares are listed on the TSX-V under the trading symbol XTM.V.
Last Closing Price:	The last closing price of the Company’s common shares on the TSX-V on May 8, 2023 was \$0.08.

General Information

Transition is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with this offering, the Company represents the following is true:

- The Company has active mineral operations, and its principal asset is not cash, cash equivalents or its exchange listing.
- The Company has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of this offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$5,000,000.
- The Company will not close this offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The Company will not allocate the available funds from this offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This offering document contains forward-looking statements and information within the meaning of applicable securities legislation (collectively, “**forward-looking statements**”). These forward-looking statements relate to, among other things, the objectives, goals, strategies, beliefs, intentions, plans, estimates and outlook of the Company, including statements regarding our exploration plans, our planned uses of our available funds and our financial position. Our business of early-stage exploration is extremely risky and hard to predict. The principal assumptions underlying our forward-looking statements include that: (i) this offering will be successful; (ii) we will be able to carry out our planned exploration programs within the timeframes and budgets that we have estimated; (iii) we will be able to mobilize our exploration teams and drills to site without accident, illness, severe weather or local community opposition in order to carry out the planned exploration work; and (iv) completion of the planned exploration work will result in the completion of the indicated milestones that we plan to achieve.

All such forward-looking statements are based on certain assumptions and analyses made by us in light of the Company’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. There are numerous known and unknown risks, uncertainties and other factors, certain of which are beyond the Company’s control, including, but not limited to: the risk that we may not discover commercial amounts or grades of mineralization, the outlook for metals demand and pricing, the impact of general economic conditions in Canada and the world, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, adverse changes in the local community in which our exploration and mining projects are located, accidents, undetected legal title defects, issues with exploration permits, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility, and obtaining required approvals of regulatory authorities.

Although the Company has attempted to identify important factors that could cause actual events or results to differ materially from those described in forward looking statements, there may be unknown risks, uncertainties and other factors that cause events or results not to be as anticipated, estimated or intended. As such, the Company’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur.

All the forward-looking information and statements contained in this document are expressly qualified, in their entirety, by this cautionary statement. The forward-looking information and statements are made as of the date of this document, and the Company assumes no obligation to update or revise them except as required pursuant to applicable securities laws.

Scientific and Technical Information

The scientific and technical information contained in this offering document has been reviewed and approved by Greg Collins, P.Geo., Chief Operating Officer of the Company and a Qualified Person within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators (“NI 43-101”).

PART 2 SUMMARY DESCRIPTION OF BUSINESS

What is our business?

Transition is a multi-commodity mineral exploration company engaged in the acquisition and exploration of mineral properties in Canada. The Company endeavors to create shareholder and stakeholder value by acquiring and developing a portfolio of high-quality mineral deposits through technology based, systematic exploration for ore discovery. The Company has developed a portfolio of base and precious metals projects in Ontario, British Columbia, Nova Scotia, Yukon, Newfoundland & Labrador, and Saskatchewan with direct property ownership interest in approximately 773 km² of mining land and share ownership interests in partner companies.

Recent developments

Maude Lake Project:

On September 12, 2022, the Company disclosed results from channel sampling at Maude Lake and that it had mobilized a drill to the property. Of note, channel 4 returned 17.01 metres grading 0.46 % Ni, 0.35 % Cu and 0.03 % Co including 4.26 metres grading 1.27 % Ni, 0.84 % Cu, and 0.08 % Co. Channel 7 returned 8.17 metres averaging 0.50 % Ni including 1.70 metres grading 1.61 % Ni.

On November 28, 2022, the Company announced assay results from samples collected by diamond drilling at Maude Lake, intersecting 20.01 metres averaging 0.33 % Ni, 0.28% Cu and 0.13 g/t (Pt_Pd+Au or PGM), including 4.00 metres averaging 0.61 % Ni, 0.53% Cu and 0.23 g/t PGM in hole ML-22-01, and 1.17 metres averaging 2.16 % Ni, 0.52% Cu and 0.27 g/t PGM in Hole ML-22-02. Significant intervals of high tenor Ni-Cu-Co and PGM mineralization were intersected in all 3 holes.

On April 24, 2023 the Company announced that downhole borehole conductivity surveys completed on holes reported in November had detected a large untested off-hole conductor from hole ML-22-03 at a depth of 160 metres downhole. ML-22-03 is the furthest step-out hole drilled which evaluates the high tenor Ni-Cu mineralization exposed at surface where sampling returned 17.01 metres of 0.46% Ni, including 4.26 metres of 1.27% Ni. This conductivity target appears to increase in both size and strength with depth.

Pike Warden Project:

On October 5, 2022, the Company disclosed assay results from grab and chip sampling completed on the Pike Warden property in the Yukon, confirming multiple zones of high-grade silver and gold mineralization. Multiple areas of scree and outcropping mineralization sampled, returning values up to 11.8 g/t Au, 1,215 g/t Ag, 5.11% Cu, and >20% Pb. Chip sampling at ERT Zone returned a length weighted average of 42 metres grading 53.4 g/t Ag, 0.12 g/t Au, including 7.80 metres grading 151.53 g/t Ag and 0.21 g/t Au with higher grade intervals of 0.70 metres grading 526 g/t Ag, 0.12 g/t Au and 0.4 m grading 433 g/t Ag, 1.47 g/t Au.

On January 16, 2023, the Company announced drill results from its Pike Warden Au-Ag-Cu project in the Yukon, intersecting 16.76 metres grading 88.01 g/t Ag, 0.08 g/t Au including 1.5 metres grading 468 g/t Ag, 0.19 g/t Au in hole 22-PW-01; 21.34 metres grading 91.43 g/t Ag, 0.17 g/t Au including 1.5 metres grading 362.0 g/t Ag, 0.47 g/t Au in hole 22-PW-02 and 12.19 metres grading 46.2 g/t Ag, 0.09 g/t Au including 1.5 metres grading 211.0 g/t Ag, 0.24 g/t Au in hole 22- PW-03.

Flow-Through Share Considerations

The following discussion is relevant only to the initial Purchaser(s) of FT Units and CFT Units who, for the purposes of the Tax Act, is resident or deemed to be resident in Canada at all relevant times. This summary reflects that the Company is agreeing to incur Qualifying Expenditures in an amount not less than the gross proceeds raised from the issuance of FT Unit or CFT Unit, as applicable, to be renounced to Purchasers with an effective date of no later than December 31, 2023. While the Company will furnish each Purchaser of FT Units and CFT Units hereunder with information with respect to renounced Qualifying Expenditures for purposes of filing income tax returns, the preparation and filing of returns will remain the responsibility of each Purchaser.

The Canadian federal and provincial income tax consequences to a particular Purchaser will vary according to a number of factors, including the particular province in which the Purchaser resides, carries on business or has a permanent establishment, the legal characterization of the Purchaser as an individual or a corporation and the amount that would be the Purchaser's taxable income but for the investment in the FT Units or CFT Units. This summary does not describe the special tax considerations applicable to a Purchaser of CFT Unit or FT Units who chooses to donate their CFT Unit of FT Unit to a registered charity. Such potential purchasers should consult their own tax advisors.

Qualifying Expenditures

Subject to certain limitations and restrictions contained in the Tax Act, the Company will be entitled to renounce to the initial Purchaser of FT Units or CFT Units hereunder certain Qualifying Expenditures incurred by the Company during the period to December 31, 2024 in an amount equal to \$0.1168 per CFT Unit and \$0.11 FT Unit, being the CFT Offering Price and FT Offering Price, respectively. The Qualifying Expenditures will be renounced to the Purchaser with an effective date on or before December 31, 2023. Such Qualifying Expenditures that are properly renounced to a Purchaser will be deemed to have been incurred by that Purchaser on the effective date of the renunciation and will be added to such Purchaser's "cumulative Canadian exploration expense" (as defined in the Tax Act) account ("**CCEE account**").

The Tax Act contains a one year "look-back" rule which, if certain conditions are satisfied, entitles the Company to renounce certain Qualifying Expenditures incurred by it in 2024 to Purchasers effective on December 31, 2023. In other words, the Purchasers are deemed to have incurred the Qualifying Expenditures on December 31, 2023 even though the Company may not incur the Qualifying Expenditures until 2024. For this rule to apply the Company must renounce the Qualifying Expenditures to the Purchaser in either January, February or March of 2024. In the event that the Company does not incur the amounts renounced under the one year "look-back" rule by the end of 2024, the Company will be required to reduce the amount of Qualifying Expenditures renounced to the Purchasers and the Purchasers' income tax returns for the years in which the Qualifying Expenditures were claimed will be reassessed accordingly. The Company has agreed to indemnify each Offered Share Purchaser for the additional taxes payable by such Purchaser in the event of the Company's failure to renounce the Qualifying Expenditures as agreed.

A Purchaser may deduct in computing such Purchaser's income from all sources for a taxation year an amount not exceeding 100% of the balance of such Purchaser's CCEE account at the end of that taxation year. Deductions claimed by a Purchaser reduce the Purchaser's CCEE account. To the extent that a Purchaser does not deduct the balance of such Purchaser's CCEE account at the end of the taxation year, the balance may be carried forward and deducted in subsequent taxation years in accordance with the provisions of the Tax Act. The right to deduct CCEE accrues to the initial Purchaser of Offered Shares and is not transferable.

A Purchaser who is an individual (other than a trust) may be entitled to a non-refundable investment tax credit equal to 30% of a "flow-through mining expenditure" renounced to the Purchaser under the critical

minerals exploration tax credit described in the Tax Act. A “flow-through mining expenditure” is defined in subsection 127(9) of the Tax Act to include certain CEE incurred in conducting certain mining exploration activity from or above the surface of the earth for the purpose of determining the existence, location, extent or quality of a mineral resource described in paragraph (a) or (d) of the definition of “mineral resource” as defined in the Tax Act. The investment tax credit may be deducted in accordance with detailed rules in the Tax Act against tax payable under the Tax Act in the taxation year in which the flow-through mining expenditure is incurred or carried back three years and forward twenty years. The Company has agreed to incur and renounce CEE that will qualify for this investment tax credit.

If a Purchaser acquires FT Units or CFT Units through a Registered Plan, the CEE renounced will not be available as a deduction against the income of the annuitant, holder or beneficiary of such plan and the associated tax benefits will be lost.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this offering document or in any other document filed by the Company in the 12 months preceding the date of this offering document.

What are the business objectives that we expect to accomplish using the available funds?

The Company intends to use the net proceeds from the offering, together with the Company’s current working capital, for the following purposes in order to meet the business objectives described below:

Business Objectives and Milestone	Target Date for Completion	Projects Costs (\$)
Completion of an Exploration program at its Maude Lake Project and/or other Ni-Cu-PGM Projects the Company has developed in Ontario	December 31, 2023	\$750,000
Completion of an Exploration program at its Pike Warden Project	December 31, 2023	\$250,000

PART 3 USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the offering?

Based on the Company’s existing working capital of \$1,902,662 and assuming the offering is fully subscribed for gross proceeds of \$1,000,000, the expected availability of funds is \$2,902,662.

		Assuming minimum offering size	Assuming 100% of offering
A	Amount to be raised by this offering	\$500,000	\$1,000,000
B	Selling commissions and fees	\$50,000	\$90,000
C	Estimated offering costs (e.g., legal, accounting, audit)	\$10,000	\$10,000
D	Net proceeds of offering: $D = A - (B+C)$	\$440,000	\$900,000
E	Working capital as at the date of this offering document	\$1,902,662	\$1,902,662

		Assuming minimum offering size	Assuming 100% of offering
F	Additional sources of funding	\$0	\$0
G	Total available funds: G = D+E+F	\$2,342,662	\$2,802,662

The Company's most recent audited and interim financial statements included a going concern note since it has no current source of revenue and is a mineral exploration company. The Company's ability to continue as a going concern is dependent on its ability to raise adequate financing to explore and develop its mineral projects. The proceeds of this offering will be utilized to fund ongoing exploration and general and administrative costs which will enable the Company to continue its operations. However, it is expected that a going concern note will be included in the Company's next annual financial statements as it expects to be a mineral exploration company for the foreseeable future.

The Company's working capital is dependent on raising financing and the timing of mineral exploration. It is expected in the ordinary course of business that the Company's working capital could decline from the date of its most recent annual financial statements.

How will we use the available funds?

The Company intends to use the net proceeds from this offering to supplement existing working capital to fund programs of exploration for critical minerals in Ontario and the Yukon. In particular, the company intends to perform programs of sampling, geophysics and drilling at its Maude Lake Cu-Ni-PGM Project near Schreiber and if merited, other Thunder Bay area projects as well as field work associated with the Pike Warden Cu-Au-Ag project in the Yukon...

Description of intended use of available funds listed in order of priority	Assuming minimum offering only	Assuming 100% of offering
Ni-Cu-PGM Exploration in Ontario	\$400,000	\$750,000
Cu-Au-Ag Exploration in Yukon	\$100,000	\$250,000
General and Administrative Expenses	\$350,000	\$350,000
Unallocated Working Capital	\$1,492,662	\$1,452,622
Total (equal to G in the Available Funds table above)	\$2,342,662	\$2,802,662

The above noted allocation and anticipated timing represents the Company's current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the proceeds from the offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan and sustain its operations for not less than 12 months from the Closing Date of the offering.

The Company is still in the exploration stage and the Company has not yet generated positive cash flows from its operating activities, which may cast doubt on the Company's ability to continue as a going concern. The offering is intended to permit the Company to continue to explore its properties and is not expected

to affect the decision to include a going concern note in the next annual financial statements of the Company.

How have we used the other funds we have raised in the past 12 months?

The Company has not completed any financings in the past 12 months.

PART 4 FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?

Agents:	None. The Company may engage with certain finders in connection with the offering.
Compensation Type:	Cash and finder warrants, as detailed below.
Cash Fee:	6% cash fee of the net proceeds of the offering received by the Company from referred investors which will be paid to any and each of the finders.
Compensation Options:	Non-transferrable finder warrants (the " Finder Warrants ") equal to 6% of the aggregate number of CFT Units, FT Units and HD Units purchased by referred investors under the offering. Each of the Finder Warrants will entitle the holder to purchase one common share of the Company at a purchase price of \$0.15 per Finder Warrant exercisable for a period of 36 months after the issuance of such Finder Warrants.

PART 5 PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right

- a) to rescind your purchase of these securities with the Company, or
- b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

PART 6 ADDITIONAL INFORMATION

Where can you find more information about us?

Security holders can access the Company's continuous disclosure filings on SEDAR at www.sedar.com under the Company's profile.

For further information regarding the Company, visit our website at: www.transitionmetalscorp.com

PART 7 DATE AND CERTIFICATE

This offering document, together with any document filed under Canadian securities legislation on or after May 9, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

May 9, 2023

By: (signed) "Scott McLean"
Name: Scott McLean
Title: Chief Executive Officer

By: (signed) "Carmelo Marrelli"
Name: Carmelo Marrelli
Title: Chief Financial Officer