

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

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

The securities offered under this prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States of America, its territories and possessions, any state of the United States or the District of Columbia (collectively, the "United States") or U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act ("U.S. Persons")), unless exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws are available. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. Persons. See "Plan of Distribution".

This prospectus does not constitute a prospectus within the meaning of section 85 of FSMA, has not been drawn up in accordance with the Prospectus Rules and has not been approved by or filed with the Financial Conduct Authority in the United Kingdom.

PRELIMINARY PROSPECTUS

Initial Public Offering

August 25, 2017



Minimum Offering: \$1,500,000 or 7,500,000 Units (the "Minimum Offering")
Maximum Offering: \$2,000,000 or 10,000,000 Units (the "Maximum Offering")

This offering of units (the "Units") of Pacific Empire Minerals Corp. (the "Company") consists of an initial public offering of a minimum of 7,500,000 Units and a maximum of 10,000,000 Units by the Company (the "Offering") at a price of \$0.20 per Unit (the "Offering Price"). Each Unit consists of one common share of the Company (a "Share") and one-half of one common share purchase warrant (each whole such warrant, a "Warrant"). Each Warrant will entitle its holder to purchase one Share at a price of \$0.30 at any time prior to 4:30 p.m. (Vancouver time) on the date that is 24 months following the closing of the Offering (the "Closing"). The Shares and the Warrants comprising the Units will separate immediately at Closing. The Units are being offered for sale by Haywood Securities Inc. (the "Agent"). The Offering Price was determined by negotiation between the Company and the Agent.

Price: \$0.20 per Unit

	<u>Price to public</u>	<u>Agent's Fees⁽¹⁾⁽²⁾</u>	<u>Net Proceeds to the Company⁽³⁾</u>
Per Unit.....	\$0.20	\$0.014	\$0.186
Minimum Offering.....	\$1,500,000	\$105,000	\$1,395,000
Maximum Offering.....	\$2,000,000	\$140,000	\$1,860,000

(1) The Agent will receive a fee of 7% of the gross proceeds from the sale of the Units offered hereby. See "Plan of Distribution".

(2) In addition to the Agent's fee, the Agent will receive compensation options (the "**Compensation Options**") entitling the Agent to subscribe for that number of units ("**Compensation Units**") as is equal to 7% of the aggregate number of Units sold pursuant to the Offering at a price of \$0.20 per Compensation Unit for a period of 24 months following the Closing. Each Compensation Unit consists of one Share (a "**Compensation Share**") and one-half of one non-transferable common share purchase warrant (each whole such warrant, a "**Compensation Warrant**"). Each Compensation Warrant is exercisable to purchase one Share (a "**Compensation Warrant Share**") at \$0.30 for a period of 24 months following the Closing. The Agent will also receive a corporate finance fee (the "**Corporate Finance Fee**") of \$25,000 (of which the Company has paid \$10,000) plus applicable taxes. This Prospectus also qualifies the distribution of the Compensation Options; the Compensation Units, Compensation Shares and Compensation Warrants issuable upon exercise of the Compensation Options and the Compensation Warrant Shares issuable upon exercise of the Compensation Warrants. The Company will also pay the Agent's expenses, including legal fees and disbursements. See "Plan of Distribution".

(3) Before deducting the expenses of the Offering, estimated at \$225,000, payable by the Company. These expenses will be paid from the proceeds of this Offering.

The following table sets out the number of securities issuable pursuant to the Compensation Options:

Agent's Position	Maximum Size or Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price
Compensation Options	700,000 Compensation Units ⁽¹⁾	24 months following the Closing	\$0.20 per Compensation Unit
Total securities issuable to the Agent	700,000 Compensation Shares	24 months following the Closing	\$0.20 per Compensation Unit
	350,000 Compensation Warrant Shares		\$0.30 per Compensation Warrant Share

(1) Each Compensation Unit is exercisable to acquire one Compensation Share and one-half of one Compensation Warrant. Each Compensation Warrant is exercisable to acquire one Compensation Warrant Share.

There is currently no market through which the Units, the Shares and the Warrants may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect: the

pricing of the Shares in the secondary market; the transparency and availability of trading prices; the liquidity of the Shares; and the extent of issuer regulation. See also "Risk Factors".

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

The Company has applied to list on the TSX Venture Exchange (the "**TSXV**") the Shares, the Warrant Shares, the Compensation Shares and the Compensation Warrant Shares. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV, including without limitation, the distribution of Shares to a minimum number of public shareholders and the Company meeting certain financial and other requirements. The Company does not intend to apply for listing of the Warrants on any securities exchange or for inclusion in any automated quotation system.

The Agent, as agent of the Company for the purposes of the Offering, conditionally offers the Units for sale on a commercially reasonable efforts basis and subject to prior sale, if, as and when issued by the Company and accepted by the Agent, in accordance with the conditions contained in the Agency Agreement (as hereinafter defined and referred to under "Plan of Distribution").

The Offering is subject to the receipt by the Agent of subscriptions for the Minimum Offering in the amount of \$1,500,000. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. If the Minimum Offering is not completed within 90 days of the issuance of a receipt for the final prospectus, or if a receipt has been issued for an amendment to the final prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of receipt for the final prospectus, the distribution will cease, and all subscription monies will be returned to the purchasers without interest or deduction, unless the purchasers have otherwise instructed the Agent.

An investment in the Units is speculative and involves a high degree of risk. In reviewing this Prospectus, you should carefully consider the matters described under the heading "*Risk Factors*".

Certain legal matters relating to the securities offered hereby will be passed upon by DuMoulin Black LLP, Vancouver, British Columbia, and as to tax matters by Thorsteinssons LLP, Vancouver, British Columbia, on behalf of the Company and by McCullough O'Connor Irwin LLP, on behalf of the Agent. No person is authorized by the Company to provide any information or make any representations other than those contained in this Prospectus in connection with the issue and sale of the securities offered hereunder.

The Company's head office is located at 501 – 543 Granville Street, Vancouver, British Columbia V6C 1X8 and its registered and records office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5. No person is authorized to provide any information or to make any representation in connection with this Offering other than as contained in this Prospectus.

Agent:

Haywood Securities Inc.
700 – 200 Burrard Street
Vancouver, BC V6C 3L6

Notice to UK investors

This prospectus is only addressed to and directed at persons resident in the United Kingdom who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC) (“Qualified Investors”). In addition, in the United Kingdom, this prospectus has not been approved by an authorised person pursuant to Section 21 of FSMA. It is exempt under Article 48 of the Financial Promotion Order from the general restriction on the communication of invitations or inducements to engage in investment activity on the ground that it is made to certified high net worth individuals, being individuals who have signed, within the period of twelve months ending with the date of this prospectus, a statement complying with Part I of Schedule 5 of FSMA. Any individual who is in any doubt about the investment to which this prospectus relates should consult an authorised person specialising in advising on investments of the kind in question. Further, this prospectus is being distributed only to, and is directed only at, other Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order, (ii) who are high net-worth entities falling within the meaning of Article 49 (a) to (d) of the Financial Promotion Order, or (iii) persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). This prospectus must not be acted on or relied on in the United Kingdom by persons who are not relevant persons and any investment or investment activity to which this prospectus relates is available only to relevant persons in the United Kingdom or to such other persons or in circumstances which do not otherwise breach sections 21 or 85 of FSMA.

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GLOSSARY OF DEFINED TERMS

The following is a glossary of certain terms used in this Prospectus. Terms and abbreviations used in the Financial Statements and also appearing in the documents attached as schedules to the Prospectus may be defined separately and the terms and abbreviations defined below may not be used therein, except where otherwise indicated. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

Agency Agreement	The agency agreement dated ●, 2017 between the Company and the Agent.
Agent	Haywood Securities Inc.
BCBCA	The <i>Business Corporations Act</i> , S.B.C. 2002, c. 57 including the regulations thereunder, as amended.
Board	The board of directors of the Company.
CEO	Chief Executive Officer.
CFO	Chief Financial Officer.
Closing	The closing of the Offering.
Closing Date	The date of closing of the Offering.
Company	Pacific Empire Minerals Corp., a British Columbia company incorporated under the BCBCA on July 13, 2012.
Compensation Options	The compensation options to be issued to the Agent as partial consideration for acting as agent in the Offering. Each Compensation Option will entitle the holder to purchase one Compensation Unit at a price of \$0.20 at any time prior to 4:30 p.m. (Vancouver time) on the date that is 24 months following the Closing.
Compensation Shares	The Shares comprising the Compensation Units issuable upon exercise of the Compensation Options.
Compensation Units	The units issuable upon exercise of the Compensation Options. Each Compensation Unit will consist of one Compensation Share and one-half of one Compensation Warrant.
Compensation Warrants	The warrants comprising the Compensation Units issuable upon exercise of the Compensation Options. Each Compensation Warrant will entitle the holder to purchase one Compensation Warrant Share at a price of \$0.30 at any time prior to 4:30 p.m. (Vancouver time) on the date that is 24 months following the Closing.
Compensation Warrant Shares	The Shares issuable upon exercise of the Compensation Warrants.

Copper King Property	The Copper King property covering an area of approximately 4,178 hectares located approximately 45 km south of AuRico Metals Inc.'s Kemess Underground Development Project.
Copper Star Property	The Copper Star property covering an area of approximately 2,136 hectares located approximately 42 km west-southwest of the town of Houston in central British Columbia.
Escrow Agent	Computershare Trust Company of Canada.
Escrow Agreement	The escrow agreement dated ●, 2017 between the Company, the Escrow Holders and the Escrow Agent.
Escrow Holders	Brad Peters, Rory Ritchie, Elizabeth Ritchie, Larry Donaldson, L.B. Donaldson Ltd. (a company controlled by Larry Donaldson), Keith Henderson and Exploration Capital Partners 2012 Limited Partnership.
Financial Promotion Order	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
FSMA	The Financial Services and Markets Act 2000.
Financial Statements	The audited financial statements of the Company for the fiscal years ended March 31, 2017 and March 31, 2016 together with the auditor's report thereon and the notes thereto, attached as Schedule "B" hereto.
Hogem Property	The Hogem property covering an area of approximately 2,390 hectares located in north-central British Columbia, approximately 190 km northwest of Mackenzie.
IFRS	International Financial Reporting Standards.
Kitimat Property	The Kitimat property covering an area of approximately 3,070 hectares located in the Skeena Mining Division British Columbia, approximately 13 km by road from the port town of Kitimat.
Listing	The listing of the Shares on the TSXV.
Listing Date	The date on which the Shares are listed for trading on the TSXV.
Majazz Property	The Majazz property covering an area of approximately 1,660 hectares located in north central British Columbia, approximately 100 km northwest of Fort St. James.
MD&A	The Company's management's discussion and analysis of the financial condition and results of operations for the year ended March 31, 2017, attached as Schedule "C" hereto.
NI 43-101	National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> .
NI 52-110	National Instrument 52-110 - <i>Audit Committees</i> .

NI 58-101	National Instrument 58-101 - <i>Disclosure of Corporate Governance Practices.</i>
NP 46-201	National Policy 46-201 – <i>Escrow for Initial Public Offerings.</i>
NP 51-201	National Policy 51-201 - <i>Disclosure Standards.</i>
Nub East Property	The Nub East property covering an area of approximately 1,258 hectares located in the Toddoggone district in north-central British Columbia, approximately 27 km north of AuRico Metals Inc.'s Kemess Underground Development Project.
Offering	The Company's initial public offering of Units at a price of \$0.20 per Unit for gross proceeds of a minimum of \$1,500,000 and a maximum of \$2,000,000 to be conducted by the Agent concurrently with the Listing.
Pinnacle Reef Property	The Pinnacle Reef property (formerly the "Later" property) covering an area of approximately 6,684 hectares located in the Omineca Mining Division in British Columbia, approximately 105 km north-northwest of Fort St. James and 200 km northwest of Prince George.
Prospectus	This prospectus dated as of the date on the cover page.
RC drilling	Reverse circulation drilling.
Red Property	The Red property covering an area of approximately 1,747 hectares located approximately 56 km east-southeast of Williams Lake and 16 km northeast of the village of Lac La Hache.
Shares	The common shares without par value of the Company.
Tak Property	The Tak property covering an area of approximately 1,094 hectares located within the Quesnel Terrane in British Columbia approximately 155 km northwest of Fort St. James.
TSXV	TSX Venture Exchange.
Units	The units offered hereby, each Unit will consist of one Share and one-half of one Warrant.
Warrant Agent	Computershare Trust Company of Canada.
Warrants	The common share purchase warrants that the Company is selling as a portion of the Units sold in the Offering. Each Warrant will entitle its holder to purchase one Share at a price of \$0.30 at any time prior to 4:30 p.m. (Vancouver time) on the date that is 24 months following the Closing.
Wildcat Project (or Wildcat Property)	The Wildcat property consisting of 10 mineral claims covering an area of approximately 5,826 hectares in the Omineca Mining Division of British Columbia.

Wildcat Option Agreement	The option agreement dated February 27, 2017 between the Company and Richard J. Haslinger in respect of the Wildcat Project.
Wildcat Report	The independent NI 43-101 technical report dated June 12, 2017 entitled "43-101 Technical Report on the Wildcat Property" prepared by Kristian Whitehead, B.Sc., P.Geo.

GLOSSARY OF GEOLOGICAL AND SCIENTIFIC TERMS

The following is a glossary of certain geological and scientific terms used in this Prospectus:

Ag	Silver.
Alkalic	Igneous rocks having an unusually large amount of alkali metals such as sodium and potassium.
Alteration	The change in minerals that can occur when rock units are subjected to hydrothermal solutions often associated with intrusive rocks or with areas of volcanic activity.
Au	Gold.
Breccia	A type of rock that is comprised of fragments of other rock units and which can be formed either by extrusive or intrusive volcanic processes, sedimentary processes or by tectonic or structural deformation.
Cu	Copper.
Fault	A fracture in bedrock along which there has been movement, usually along a roughly planar surface.
g/t	Grams per tonne.
Geochemical Survey	A type of mineral exploration survey that involves collecting samples of soil, stream sediments or rocks to assist in the identification of prospective areas for mineralization.
Geophysical Survey	A type of mineral exploration survey that involves measuring electrical, magnetic and other physical properties of the rocks underlying a particular survey area to identify geophysical anomalies which may indicate the location of mineral deposits. Geophysical Surveys can be completed over areas on the ground or over large areas by aircraft mounted survey equipment.
Hydrothermal Solutions	The heated, usually acidic solutions within the earth's crust which are known to move and precipitate minerals which form mineral deposits.
IP	Induced polarization, a method of ground geophysical surveying using an electrical current to determine indications of mineralization.
Jurassic	The geologic era spanning from 201.6 to 145.5 Ma before the present.

km	Kilometre.
Ma	One million years.
Pb	Lead.
ppb	Parts per billion.
ppm	Parts per million.
Pyrite	A common iron sulphide mineral.
Soil Geochemistry	A type of Geochemical Survey that involves collecting samples of overburden at regular intervals on or beneath the ground which may overlie and hide altered or mineralized bedrock. By chemically analyzing these samples it is possible to identify anomalies which overlie areas of bedrock mineralization beneath.
Stockwork	A rock consisting of closely spaced small veins of minerals which in some cases represent mineral deposits which may be bulk mined in open pits or underground.
Sulphide	A mineral made up of sulphur and one or more metals.
Tonne	A metric ton, equal to 2, 240 pounds.
Triassic	The geologic era spanning from 251 to 201.6 Ma before the present.
Zn	Zinc.

CURRENCY

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to "\$" are to Canadian dollars.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this Prospectus constitute forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Prospectus should not be unduly relied upon. These statements are current only as of the date of this Prospectus. The Company does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws.

In particular, this Prospectus contains forward-looking statements pertaining to the following:

- completion of exploration work programs on the Company's mineral projects;
- capital and general expenditures;

- expectations regarding the ability to raise capital; and
- treatment under governmental regulatory regimes.

Assumptions underlying the expected nature and cost of the exploration program on the Wildcat Property are as set forth in the Wildcat Report (see "*Mineral Projects – Wildcat Project*"). Assumptions underlying the Company's working capital requirements are based on management's experience with other public companies in the junior mineral exploration sector. Forward-looking statements pertaining to the Company's need for and ability to raise capital in the future are based on the projected costs of operating a junior mineral exploration company, and management's experience with raising funds in current market circumstances. Forward-looking statements regarding treatment by governmental authorities, assumes no material change in regulations, policies, or the application of the same by such authorities.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Prospectus:

- liabilities inherent in the Company's operations;
- uncertainties associated with mineral exploration;
- weather and working conditions;
- negative changes in First Nations relations;
- competition for, among other things, capital, acquisitions, equipment and skilled personnel;
- fluctuations in metal prices and stock market volatility; and
- the other factors discussed under "Risk Factors".

This list of factors should not be construed as exhaustive.

ELIGIBILITY FOR INVESTMENT

In the opinion of Thorsteinssons LLP, special Canadian tax counsel to the Company, based on the provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations to the Tax Act in force on the date hereof, provided the Shares are listed on a "designated stock exchange" (as such term is defined in the Tax Act and which currently includes the TSXV) or the Company is otherwise a "public corporation" (as such term is defined in the Tax Act) at the particular time, the Warrants and Shares will at that time be "qualified investments" under the Tax Act for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds (a "**RRIFs**"), deferred profit sharing plans, registered education savings plans, registered disability savings plans or tax-free savings accounts ("**TFSAs**" and collectively the "**Tax Deferred Plans**") provided that in the case of the Warrants, the Company is not an annuitant, a beneficiary, an employer or a subscriber under or a holder of a Tax Deferred Plan and deals at arm's length with each person who is an annuitant, a beneficiary, an employer or a subscriber under or a holder of such plan. **Holders who intend to hold Warrants or Shares in a Tax Deferred Plan should consult their own tax advisors regarding whether such securities are a "qualified investment" at the relevant time for such Tax Deferred Plan.**

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

Company is not otherwise a “public corporation” at that time, the Warrants and Shares will not be qualified investments for the Tax Deferred Plans at that time.

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

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Purchasers should carefully consider, among other things, the matters discussed under "Risk Factors".

The Company

The Company was incorporated under the BCBCA on July 13, 2012 under the name "Pacific Empire Minerals Corp." and the Company's head office and registered and records office are located in Vancouver, British Columbia.

The Company is not a reporting issuer in any jurisdiction and the Shares are not listed or posted for trading on any stock exchange. The Company has applied, concurrent with the filing of this Prospectus, to list its Shares on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

See "*Corporate Structure*".

Principal Business

The Company is a mineral exploration company whose principal business is the acquisition and exploration of copper-gold porphyry properties, with a focus on British Columbia, Canada.

The Company's material property is the Wildcat Project, consisting of 10 mineral claims covering an area of approximately 5,826 hectares in the Omineca Mining Division of British Columbia.

In addition to the Wildcat Option Agreement, the Company has interests in 9 other mineral properties in British Columbia and employs the "prospect generator" business model whereby it carries out "grass-roots" exploration on its mineral properties to advance them to a stage where it can attract the participation of a third party with the experience and financial capability to carry out diamond drilling on the properties.

To carry out exploration on its properties, the Company has commissioned the manufacture of a portable reverse circulation drill that it intends to use to advance its properties. This will allow the Company to explore its properties on a cost-effective and timely basis and set it apart from its peers.

Delivery of the drill is subject to completion of the Offering and is expected to occur in or around September 2017 or as soon as reasonably practicable following Closing.

See "*General Development of the Business*" and "*Description of the Business*"

Business Objectives

The Company's business objectives over the next 12 months are to (i) complete the Offering and concurrently obtain a listing of its Shares on the TSXV, (ii) complete phase 1 of the exploration program on the Wildcat Project, and (iii) continue to advance its other mineral properties to a stage where it can attract the participation of a third party with the experience and financial capability to carry out diamond drilling thereon.

The Offering

Issue:	This Prospectus qualifies the distribution of a minimum of 7,500,000 Units and a maximum of 10,000,000 Units. Each Unit is comprised of one Share and one-half of one Warrant.
Offering Price:	\$0.20 per Unit.
Warrant Features:	Each Warrant will entitle its holder to purchase one Share at an exercise price of \$0.30 at any time prior to 4:30 p.m. (Vancouver time) on the date that is 24 months following the Closing.
Amount:	Minimum of \$1,500,000 and maximum of \$2,000,000.

Risk Factors

The activities of the Company are subject to risks inherent in the mining industry as well as the risks normally encountered in a newly established business, including but not limited to: negative cash flow; lack of adequate capital; liquidity concerns and future financing requirements to sustain operations; dilution; no history of operations and revenues and no history of earnings or dividends; competition; economic changes; and uninsured risks. None of the Company's properties have a history of commercial mining operations, revenues, earnings or dividends. An investment in the Company's securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk a loss of their entire investment. Investors should consult with their professional advisors to assess an investment in the Company's securities.

There is currently no public market for the Shares and there can be no assurance that an active market for the Shares will develop or be sustained after the Listing. The value of the Shares is subject to volatility in market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

See "*Risk Factors*".

Summary of Selected Financial Information

The table below summarizes selected financial data for the periods indicated and should be read in conjunction with the Financial Statements and MD&A.

	As at March 31, 2017	As at March 31, 2016
Financial positions		
Working capital	\$ 393,410	\$ 16,722
Current assets	456,558	47,684
Exploration and evaluation assets (net)	73,902	53,026
Total assets	640,090	152,224
Current liabilities	63,148	30,962
Share capital	1,750,366	1,005,653
Reserves	20,126	12,267
Deficit	(1,193,550)	(896,658)

Financial results	As at March 31, 2017	As at March 31, 2016
Exploration expenditures (net)	51,366	28,222
Net loss	(298,264)	(354,314)
Net loss per share – basic and diluted	(0.02)	(0.03)
Number of shares outstanding	19,028,850	11,410,000

Available Funds

The Company's estimated working capital as at July 31, 2017 was \$274,000. The Company estimates that the net proceeds from the Offering will be approximately \$1,145,000 in the event of the Minimum Offering and \$1,610,000 in the event of the Maximum Offering, after deducting the Agent's commission, Corporate Finance Fee and estimated expenses. The funds expected to be available to the Company upon completion of the Offering and the expected principal purposes for which such funds will be used are described below:

Funds Available	Minimum Offering	Maximum Offering
Estimated working capital as of July 31, 2017	\$274,000	\$274,000
Net proceeds of the Offering ⁽¹⁾	\$1,145,000	\$1,610,000
Net Funds Available (unaudited)	\$1,419,000	\$1,884,000

Note:

- (1) After deducting the Agent's commission in the amount of \$105,000 in the event of the Minimum Offering; \$140,000 in the event of the Maximum Offering; Corporate Finance Fee in the amount of \$25,000 (including \$10,000 which has already been paid by the Company) plus applicable taxes; and estimated expenses of approximately \$225,000.

Use of Proceeds

The net proceeds of the Offering, together with the Company's estimated working capital as at July 31, 2017, is intended to be used as follows:

Principal Purpose	Minimum Offering	Maximum Offering
Purchase of reverse circulation drill and support equipment ⁽¹⁾	\$268,750	\$268,750
Phase 1 of the exploration program on Wildcat Project.....	\$216,000	\$216,000
Reserve for completion of a portion of Phase 2 of the exploration program on the Wildcat Project, if warranted.....	\$110,000	\$202,000
Reverse circulation drilling on certain of the Company's other properties.....	\$150,000	\$250,100
Mapping and geochemical sampling on certain of the Company's other properties.....	\$10,000	\$11,000
Annual estimated general and administrative costs ⁽²⁾	\$441,200	\$441,200
Working Capital.....	\$223,050	\$494,950
Total.....	\$1,419,000.00	\$1,884,000.00

Notes:

- (1) Includes cost of additional tools and support equipment.
- (2) The estimated general and administrative costs for the next 12 months are as follows:

Office & Administration	\$69,200
Professional Fees (legal & audit)	\$71,000
Management Fees	\$120,000
Salaries & Consultants	\$152,000
Investor Relations and Communications	\$25,000
Miscellaneous	\$4,000
Total G&A	\$441,200.00

The objectives that the Company expects to accomplish using its estimated working capital as at July 31, 2017 and, net proceeds from the Offering, are as follows:

- Complete the Offering and concurrently obtain a listing of its Shares on the TSXV;
- Complete the purchase of portable reverse circulation drill;
- Complete Phase 1 of the exploration program on the Wildcat Project, with reserves set aside to complete at least a portion of Phase 2 of the exploration program, if warranted; and
- Advance the Company's other properties by completing reverse circulation drilling, mapping and geochemical sampling with a view to attracting participation of third parties in respect of such projects.

See "*Use of Proceeds and Available Funds*".

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated pursuant to the BCBCA under the name "Pacific Empire Minerals Corp." on July 13, 2012. The Company's head office is located at 501 – 543 Granville Street, Vancouver, BC V6C 1X8 and its registered and records office is located at 10th Floor, 595 Howe Street, Vancouver, BC V6C 2T5.

Intercorporate Relationships

The Company does not have any subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Since incorporation, the Company has taken the following steps to develop its business:

- (1) sought, acquired and explored a portfolio of prospective copper-gold porphyry properties in British Columbia;
- (2) recruited directors and officers with the skills required to operate a publicly listed mineral exploration company;
- (3) raised aggregate gross proceeds of \$1,787,385 through the sale of Shares. The funds raised have provided sufficient capital to carry on the Company's business to date, and to cover the costs associated with the Offering; and
- (4) engaged the Agent to assist the Company in making an application for listing on the TSXV, and to complete the Offering.

As the Company utilizes the "prospect generator" business model, management believes that to maximize the number of ongoing partnerships and to achieve the most attractive deal terms, exploration conducted by the Company must add significant value and set the Company apart from its peers. As a result, the Company has commissioned the manufacture of a portable reverse circulation drill that it intends to use to advance its properties.

See "*Use of Proceeds*" and "*Material Contracts*".

Significant Acquisitions

Wildcat Project

On February 27, 2017, the Company entered into the Wildcat Option Agreement pursuant to which the Company was granted the option to acquire 9 of the mineral claims comprising the Wildcat Property and any mining claims staked within one km of the outer perimeter of the Wildcat Property (the "**Area of Interest**") would, at the election of the other party, thereafter be included in and form part of the Wildcat Property for the purposes of the Wildcat Option Agreement. To date, one additional mineral claim within the Area of Interest was acquired by the Company through staking and was subsequently included within the Wildcat Option Agreement. As a result, the Wildcat Property is currently comprised of an aggregate of 10 mineral claims.

The Company may exercise the option to acquire a 100% interest in the Wildcat Property by:

- issuing 2,000,000 Shares to the optionor over four years as follows:
 - 200,000 Shares by February 27, 2018;
 - 400,000 Shares by February 27, 2019;
 - 600,000 Shares by February 27, 2020; and
 - 800,000 Shares by February 27, 2021;
- carrying out 10 km of IP surveying, which surveying has been completed; and
- drilling one diamond or reverse circulation hole on the property by February 27, 2019.

Following the exercise of the option, Mr. Haslinger will retain a 2% net smelter return royalty over the Wildcat Project, which royalty may be reduced by one-half to 1%, within 15 years of the issuance of a mineral resource estimate prepared in accordance with NI 43-101 in respect of the Wildcat Property (the "**Mineral Resource Estimate**"), by payment to Mr. Haslinger an amount that is equal to 0.07% of the product of the then gold price and the gold ounce equivalent in the Mineral Resource Estimate. The Wildcat Project is not subject to any other royalties.

DESCRIPTION OF THE BUSINESS

General

The Company is a mineral exploration company. Its principal business is the acquisition and exploration of copper-gold porphyry, mineral exploration properties, with a focus on British Columbia, Canada.

The Company has an option to acquire a 100% interest in the Wildcat Project and has interests in 9 other mineral properties in British Columbia. It employs the "prospect generator" business model whereby it carries out "grass-roots" exploration on its mineral properties to advance them to a stage where it can attract the participation of a third party with the experience and financial capability to carry out diamond drilling on the properties.

To carry out exploration on its properties, the Company has commissioned the manufacture of a portable reverse circulation drill that it intends to use to advance its properties. Some of the advantages of RC drilling compared to diamond drilling include reduced costs, rapid penetration, low environmental impact and no requirement to use water. When combined with a portable X-ray fluorescence analyzer it is possible to have geochemical results at the end of each day. Delivery of the drill is subject to completion of the Offering and is expected to occur in or around September 2017 or as soon as reasonably practicable following Closing.

The Company believes that British Columbia has numerous advantages as a jurisdiction for exploration and mining that include:

- (1) attractive tax incentives with a 20% tax credit on expenses incurred, rising to 30% in prescribed mountain pine beetle-affected areas;
- (2) low geopolitical risk in a stable jurisdiction with excellent infrastructure and an established permitting regime;
- (3) ease of export with multiple shipping ports with railway and road networks;

- (4) advanced geoscience data with high-quality ongoing geoscientific research and robust digital geoscience datasets (e.g. Geoscience BC);
- (5) hydroelectric power where electricity rates are among the lowest in North America. Recent improvements to capacity include the Northwest Transmission Line (Red Chris Mine); and
- (6) favourable geology with the potential for low concentration of deleterious elements that make British Columbia copper concentrates among the “cleanest” in the world.

Specialized Skills and Knowledge

All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge currently include the areas of geology, management, asset acquisition, logistical planning, exploration programs, finance and accounting. The Company has retained qualified consultants to conduct business equal to, or exceeding, industry standards.

Competitive Conditions

The Company competes with other exploration companies for the acquisition of mineral claims and other mineral interests, as well as for the recruitment and retention of qualified consultants. There is significant competition for the limited number of acquisition opportunities and, as a result, the Company may be unable to acquire precious and base metal mineral exploration properties in the future on terms it considers acceptable for all its stakeholders.

Intangible Property

The Company does not have any need for nor does it use any brand names, circulation lists, patents, copyrights, trademarks, franchises, licenses, software (other than commercially available software), subscription lists, or other intellectual property in its business.

Business Cycle and Seasonality

The Company's business is not cyclical but is restricted by seasonal changes to the extent that may be unable to carry out exploration due to onerous seasonal conditions.

Economic Dependence

The Company's business is not substantially dependent on any one contract but depends on the aggregate of the various option and joint venture agreements respecting its properties.

Changes to Contracts

No part of the Company's business is reasonably expected to be affected in the current financial year by either the renegotiation or termination of any contract.

Environmental Protection

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires increasingly strict standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for corporations and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if

any, will not adversely affect the Company's operations, including its capital expenditures, earnings and competitive position.

Employees

As of July 31, 2017, the Company had four consultants.

Foreign Operations

All of the Company's business and operations are carried on in Canada.

Lending

The Company does not engage in any lending activities.

Bankruptcy and Similar Procedures

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

Reorganizations

The Company has not completed any material reorganization within the three most recently completed financial years and no reorganization is proposed for the current financial year.

Social or Environmental Policies

Given the early stage of its business and operations and the "grass-roots" nature of its exploration activities, the Company has not yet implemented social or environmental policies that are fundamental to its operations.

RISK FACTORS

An investment in the Units should be considered highly speculative due to the nature of the Company's business and the present stage of development. An investment in the Units should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. Potential investors should consult with their professional advisors to assess an investment in the Company. In evaluating the Company and its business, investors should carefully consider, in addition to other information contained in this Prospectus, the risk factors below. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with its operations.

The following are certain factors relating to the Company's business, which prospective investors should carefully consider before deciding whether to purchase Units. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information set out elsewhere in this Prospectus. These risks and uncertainties are not the only ones the Company is facing. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also impair operations. If any such risks actually occur, the business, financial condition, liquidity and results of operations could be materially adversely affected.

Speculative Nature of Investment Risk

An investment in the Shares carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

Liquidity and Future Financing Risk

The Company is in the early stages of its business and has no source of operating revenue. The Company will likely operate at a loss until the Company puts a mineral property into production. The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional Shares from treasury, control may change and shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operating.

Going-Concern Risk

The Company's Financial Statements have been prepared on a going-concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The Financial Statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Risks Related to the Company's Business

Exploration and Development

The Wildcat Project and the Company's other mineral properties are in the exploration stage and are without a known body of commercial ore and require extensive expenditures during this exploration stage. See "*Mineral Projects*". Mineral exploration and development involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to mitigate. The vast majority of properties which are explored are not ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations are in part directly related to the cost and success of the Company's exploration programs, which may be affected by a number of factors.

The Company does not control the surface rights over the claims which comprise its mineral properties. If a significant mineralized zone is identified, detailed environmental impact studies will need to be completed prior to initiation of any advanced exploration or mining activities. There is no guarantee that areas needed for mining activities, including potential mine waste disposal, heap leach pads, or areas for processing plants, will be available.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of the metals or minerals being mined or explored for. There is no assurance that, even if commercial quantities of mineral resources are discovered,

a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the Company's control may affect the marketability of any minerals discovered. The prices of base and precious metals have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the Company's control. The market price of metals and minerals is volatile and cannot be controlled by the Company. Metal prices have fluctuated widely, particularly in recent years. Factors beyond the control of the Company may affect the marketability of minerals or concentrates produced, including quality issues, impurities, deleterious elements, government regulations, royalties, allowable production and regulations regarding the importing and exporting of minerals, the effect of which cannot be accurately predicted.

Fluctuations in the prices of copper, gold and/or silver metal prices may adversely affect the Company's financial performance and results of operations. Further, if the market price of copper, gold and/or silver falls or remains depressed, the Company may experience losses or asset write-downs and may curtail or suspend some or all of the Company's exploration, development and mining activities.

Estimates of Mineral Deposits

There is no assurance given by the Company that any estimates of mineral deposits or resources will materialize.

No assurance can be given that any identified mineralization will be developed into a coherent mineralized deposit, or that such deposit will even qualify as a commercially viable and mineable ore body that can be legally and economically exploited. Estimates regarding mineralized deposits can also be affected by many factors such as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grades and tonnages of ore ultimately mined may differ from that indicated by drilling results and other exploration and development work. There can be no assurance that test work and results conducted and recovered in small-scale laboratory tests will be duplicated in large-scale tests under on-site conditions. Material changes in mineralized tonnages, grades, dilution and stripping ratios or recovery rates may affect the economic viability of mineral projects. The existence of mineralization or mineralized deposits should not be interpreted as assurances of the future delineation of ore reserves or the profitability of any future operations.

Substantial Capital Expenditures Required

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the Company's control. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of the Company's mineral properties as described herein will result in the discovery of commercial quantities of ore.

Consents from First Nations

Approval from local First Nations communities may also be required to carry out the proposed work programs on the Company's mineral properties. There is no guarantee that the Company will be able to obtain approval from local First Nations.

Management Experience and Dependence on Key Personnel and Employees

The Company's success is currently largely dependent on the performance of the Company's directors and officers. The Company's management team has experience in the resource exploration business. The experience of these individuals is a factor which will contribute to the Company's continued success and growth. The Company will initially be relying on the Company's board members, as well as independent consultants, for certain aspects of the Company's business. The amount of time and expertise expended on the Company's affairs by each of the Company's management team and the Company's directors will vary according to the Company's needs. The Company does not intend to acquire any key man insurance policies and there is, therefore, a risk that the death or departure of any member of management, the Company's board, or any key employee or consultant, could have a material adverse effect on the Company's future. Investors who are not prepared to rely on the Company's management team should not invest in the Company's securities.

Future Acquisitions

As part of the Company's business strategy, the Company may seek to grow by acquiring companies and/or assets or establishing joint ventures that the Company believes will complement the Company's current or future business. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for the Company's business. The Company cannot guarantee that the Company can complete any acquisition the Company pursues on favourable terms, or that any acquisitions completed will ultimately benefit the Company's business.

Uncertainty of Additional Funding

With the net proceeds from the Offering, the Company will have sufficient financial resources to undertake the work program on the Wildcat Property recommended in the Wildcat Report. Upon the successful completion of this work, the Company may not have sufficient financial resources to complete further work. There is no assurance that the Company will be successful in obtaining the required financing(s) or that such financing(s) will be available on terms acceptable to the Company. Any future financing(s) may also be dilutive to the Company's existing shareholders.

Negative Cash Flow

The Company has a limited history of operations, and no history of earnings, cash flow or profitability. The Company has had negative operating cash flow since the Company's inception, and the Company will continue to have negative operating cash flow for the foreseeable future. All of the Company's mineral properties are at the exploration stage only. The Company has no source of operating cash flow and no assurance that additional funding will be available for further exploration and development of the Wildcat Property or any of the Company's other mineral properties when required. No assurance can be given that the Company will ever attain positive cash flow or profitability.

Reliability of Historical Information

The Company has relied on, and the disclosure from the Wildcat Report, is based, in part, upon historical data compiled by previous parties involved with the Wildcat Property. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Operating Hazards and Risks

Mineral exploration and development involves risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage.

The Company does not currently carry any liability insurance for such risks, electing instead to ensure the Company's contractors have adequate insurance coverage. The nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable or the Company might not elect to insure ourselves against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Competition

The mining industry is intensely and increasingly competitive, and the Company competes for exploration and exploitation properties with many companies possessing greater financial resources and technical facilities than the Company does. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

Title Matters

While the Company has reviewed title to the claims comprising the Wildcat Property in the mineral titles online registry maintained by the British Columbia Ministry of Energy, Mines and Petroleum Resources and, to the best of the Company's knowledge, such title is in good standing, there is no guarantee that title to such claims will not be challenged or impugned. The Wildcat Property may be subject to prior unregistered agreements of transfer or aboriginal land claims, and title may be affected by undetected defects.

Environmental Risks and Other Regulatory Requirements

The Company's current or future operations, including exploration or development activities and commencement of production on the Company's properties require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any Mineral Project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be

curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

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

Industry Regulation

The Company currently operates the Company's business in a regulated industry. There can be no assurances that the Company may not be negatively affected by changes in the applicable legislation, or by any decisions or orders of any governmental or administrative body or applicable regulatory authority.

Uninsured or Uninsurable Risks

The Company may become subject to liability for cave-ins, pollution or other hazards against which the Company cannot insure or against which the Company may elect not to insure because of high premium costs or for other reasons. The payment of any such liabilities would reduce or eliminate the funds available for exploration and mining activities. Payments of liabilities for which the Company does not carry insurance may have a material adverse effect on the Company's financial position.

Global Economy Risk

The volatility of global capital markets, including the general economic slowdown in the mining sector, over the past several years has generally made the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital and the trading price of the Shares could be adversely impacted.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth and, where appropriate, retire debt.

Share Price Volatility Risk

The Company has applied to list on the TSXV the Shares, the Warrant Shares, the Compensation Shares and the Compensation Warrant Shares. In the event of such listing, external factors outside of the Company's control, such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward mining sector stocks, may have a significant impact on the market price of the Shares. Global stock markets, including the TSXV, have experienced extreme price and volume fluctuations from time to time. The same applies to companies in the mining sector. There can be no assurance that an active or liquid market will develop or be sustained for the Shares.

Increased Costs of Being a Publicly Traded Company

As the Company will have publicly-traded securities, significant legal, accounting and filing fees will be incurred that are not presently being incurred. Securities legislation and the rules and policies of the TSXV require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which will significantly increase legal, financial and securities regulatory compliance costs.

General Business Risks

Conflicts of Interest

Certain of the Company's directors and officers are, and may continue to be, involved in the mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities which the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

Risk Related to General Economic Factors

Volatility in the Worldwide Economy

Economic uncertainty in many parts of the world has adversely affected businesses and industries in almost every sector in more significant and unpredictable ways than in more stable economic times. Prolonged depressed economic conditions and volatility in the worldwide economy may continue to adversely affect individuals and institutions investing in junior mineral exploration and development companies, which could negatively affect the Company's business.

AS A RESULT OF THESE RISK FACTORS, THE OFFERING IS SUITABLE ONLY FOR THOSE PURCHASERS WHO ARE WILLING TO RELY ON MANAGEMENT OF THE COMPANY AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT IN THE OFFERED SECURITIES.

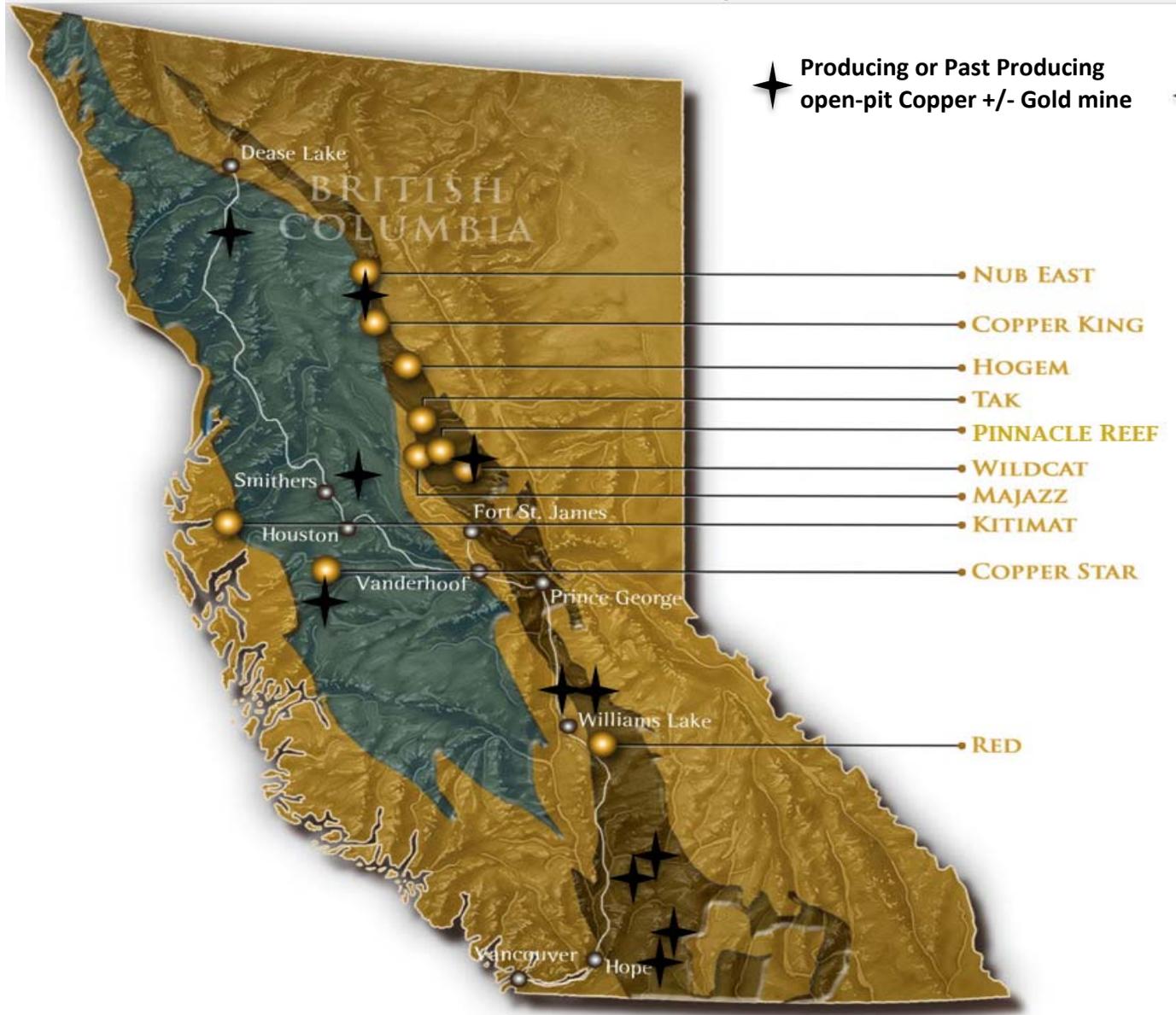
MINERAL PROJECTS

The Company's material property is the Wildcat Project, consisting of 10 mineral claims covering an area of approximately 5,826 hectares in the Omineca Mining Division of British Columbia. In addition to its option to acquire a 100% interest in the Wildcat Project, the Company has interests in 9 other mineral properties in British Columbia as follows:

- (1) Pinnacle Reef Property (formerly known as the Later Property);
- (2) Red Property;
- (3) Kitimat Property;
- (4) Copper Star Property;
- (5) Copper King Property;
- (6) Hogem Property;
- (7) Nub East Property;
- (8) Tak Property; and
- (9) Majazz Property.

The technical information in this Prospectus, including the MD&A, was reviewed and approved by Rory Ritchie, P. Geo., Vice-President, Exploration of the Company and a "qualified person" as defined under NI 43-101.

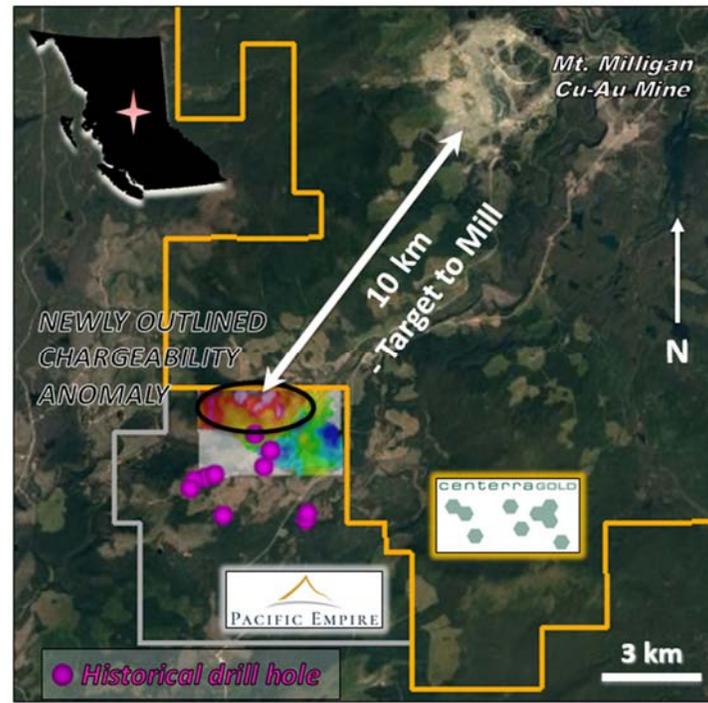
The location of each of the mineral properties in which the Company has an interest is illustrated in the figure below.



Wildcat Project

The Wildcat Property consists of 10 mineral claims covering an area of approximately 5,826 hectares in the Omineca Mining Division of British Columbia and is located approximately 150 km northwest of Prince George

and 10 km to the southwest of the producing Mt. Milligan Copper-Gold Mine of Centerra Gold Inc., as illustrated in the figure below.



Wildcat Report

The Wildcat Project is the subject of the Wildcat Report prepared by Kristian Whitehead, B.Sc., P.Geo. Mr. Whitehead is a "qualified person" under NI 43-101.

A summary of the relevant technical disclosure concerning the Wildcat Project is attached as Schedule "A" to this Prospectus.

For readers to fully understand the technical information in this Prospectus, they should read the Wildcat Report (available on SEDAR at www.sedar.com under the Company's profile) in its entirety, including all qualifications, assumptions and exclusions that relate to the technical information set out in this Prospectus. The Wildcat Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The technical information in the Wildcat Report is subject to the assumptions and qualifications contained in the report.

Ownership of Wildcat Project

On February 27, 2017, the Company entered into the Wildcat Option Agreement pursuant to which the Company was granted the option to acquire 9 of the mineral claims comprising the Wildcat Property. The remaining claim that forms a part of the Wildcat Project was acquired by the Company through staking and is included within the Wildcat Option Agreement. See "*General Development of the Business – Significant Acquisitions.*"

None of the mineral claims comprising the Wildcat Property are known to overlap any legacy or Crown granted mineral claims or any "no-staking" reserves. Neither the Company nor Richard J. Haslinger has an interest in surface rights on the property.

The Wildcat Property is not, to the Company's knowledge, subject to any environmental liabilities. There are no significant factors or risks that may affect access, title, or the right or ability to perform work on the Property.

Other Mineral Properties

Pinnacle Reef Property

The Pinnacle Reef Property (previously called the Later Property) consists of 24 mineral claims covering an area of approximately 6,684 hectares in the Omineca Mining Division of British Columbia.

The Pinnacle Reef Property is located in central British Columbia, approximately 105 km north-northwest of Fort St. James, and can be accessed from Fort St. James via well-maintained forest service roads.

By option agreement July 12, 2016, the Company granted ML Gold Corporation (formerly Cap-Ex Iron Ore Ltd.), a TSXV-listed issuer ("**ML Gold**"), an option to earn up to a 70% interest in the Later Property (re-named by ML Gold as the "Pinnacle Reef Property"). To earn an initial 51% interest in the Pinnacle Reef Property (the "**First Option**"), ML Gold must issue to the Company an aggregate of 1,000,000 common shares in the capital of ML Gold, and complete a minimum of \$2,000,000 in expenditures over a four-year period. Subject to the exercise of the First Option, ML Gold has the right to earn an additional 19% by issuing an additional 500,000 common shares in the capital of ML Gold to the Company and incur additional expenditures in the amount of \$3,000,000 within two years.

To date, ML Gold has spent approximately \$770,000 on exploration expenditures and has not yet earned any interest in the property.

Red Property

On March 1, 2015, the Company staked the LLH1 claim, located entirely within the boundary of the Lac La Hache Property owned by EnGold Mines Ltd., a TSXV-listed issuer ("**EnGold**"). This staking was based on the identification of an attractive exploration target in an area where overburden obscures bedrock and, as a result, only limited historical diamond drilling has taken place.

In early 2017, Engold discovered significant mineralization on its Lac La Hache Property and the LLH1 claim took on additional significance. The Company and Engold entered into an exploration joint venture agreement dated July 5, 2016 pursuant to which the parties formed a 50:50 joint venture which consolidates a total of 5 claims wholly-owned by each of them, including the Company's LLH1 claim, and covers an area of 1,747 hectares now known as the Red Property.

Kitimat Property

The 3,070-hectare Kitimat Property is an exploration stage porphyry copper-gold prospect that is vehicle accessible and close to infrastructure and 100% owned by the Company. The property is located in the Skeena Mining Division, 13 km by road from the port town of Kitimat where a deep-water port and hydroelectric power are located.

Historical exploration includes 38 diamond drill holes totalling over 6,000 metres; soil, rock and silt surveys; airborne Mag-EM and ground IP surveys; trenching and detailed mapping of over 1,000 rock exposures.

The Company intends to conduct a first pass RC drill program at the Jeannette target area located on the Kitimat Property during 2017.

Copper Star Property

The Copper Star Property consists of a 2,136-hectare land position which lies 42 km west-southwest of the town of Houston in Central British Columbia. The Company and Divitiae Resources Ltd. ("**Divitiae**") each hold a 50% interest in the Copper Star Property with no underlying royalties.

Highlights from limited historical diamond drill include 142 metres at 0.25% Cu in drill hole CS-07. Following digitization of historical drilling, IP, and rock and soil geochemical data, several exploration targets have been identified. The objective of the 2017 exploration season is to build off known drill results while testing these additional target areas with RC drilling during 2017.

Copper King Property

The 4,178-hectare Copper King Property is owned 100% by the Company and is accessible by vehicle and close to infrastructure, located 45 km south of the Kemess Underground Development Project held by AuRico Metals Inc. ("**AuRico**"). The Omineca Resource Road and AuRico's 230-kV transmission line cross the southern portion of the Copper King Property.

In 2015, the Company completed a reconnaissance IP survey over areas of interest that identified two areas of anomalous chargeability. Rock chip sampling was completed in 2015 as well, expanding the footprint of anomalous copper rock geochemistry. During 2016, the Company completed a limited airborne magnetic survey over the northeast portion of the property.

Based on the results from historical exploration programs and from work completed by the Company during 2014, 2015 and 2016 the primary target area is in the northern portion of the property where an IP chargeability anomaly was identified by the Company during 2015. The Company intends to complete a reconnaissance RC drill program to test this target during 2017.

Hogem Property

The 2,390-hectare Hogem Property was acquired through staking by the Company and Divitiae Resources Ltd. ("**Divitiae**"). Following staking, the Company and Divitiae entered into an exploration joint venture in April of 2015 whereby both parties contributed their respective claims to form a joint venture in which each party has a 50% participating interest. The property is located in north-central British Columbia, approximately 190 km northwest of Mackenzie. The property is located along the Omineca Resource Access Road, which extends from Mackenzie to the Kemess Underground Development Project north of the property and is suitable for large vehicles and machinery.

During 2015, a reconnaissance exploration program was conducted on the property by the Company and Divitiae that consisted of improving access, prospecting and rock sampling.

A large, open-ended coincident IP chargeability-resistivity high anomaly covered by glacial overburden remains untested and ranks as the highest priority target on the property. The Company intends to test this target area with a limited RC drill program.

Nub East Property

The 1,258-hectare Nub East property is located within the highly prospective Toddoggone district in north-central British Columbia. The property is located approximately 27 km north of AuRico's Kemess Underground Development Project and is owned 100% by the Company.

The exploration model for the property is predicated on targeting Cu-Au porphyry deposits at the most reasonable stratigraphic level, which in turn leads the Company to believe that broad valleys with magnetic high anomalies at approximately 1,100 metres elevation are high priority targets in the eastern Toodoggone district. The Company intends to conduct a reconnaissance IP survey to cover the target area and, if warranted, a reconnaissance RC drill program to test potential IP chargeability anomalies.

Tak Property

The Tak Property was acquired 100% by the Company through staking in September of 2016 and is located within the Quesnel Terrane.

Historic work by Noranda Exploration Company, Imperial Metals, Eastfield Resources, Rio Algom and Placer Dome outlined a significant gold in soil anomaly with coincident anomalous copper values. Rock chip sampling has identified robust copper, gold and silver values associated with potassic alteration overprinting widespread propylitic alteration. The Company has compiled and digitized all available historical work and identified a number of exploration targets based on geophysical, geochemical and geological data. The Company intends to conduct a reconnaissance geochemical and prospecting program on the Tak Property to assess access and logistics for a potential RC drill program.

Majazz Property

The Majazz Property is an early exploration stage alkalic porphyry project located 100 km northwest of Fort St. James, BC, and is accessible by well-maintained logging roads. The Property is comprised of 1 mineral claim covering 1,660 hectares acquired through staking, in which the Company and a local trapline holder each hold a 50% interest. Chalcopyrite mineralization as disseminations and fracture coatings occurs within medium grained monzonite and to a lesser degree, gabbroic intrusives, in an area that coincides with an 800 m by 400 m Cu-Mo soil geochemical anomaly.

USE OF PROCEEDS AND AVAILABLE FUNDS

Funds Available

The Company's estimated working capital as at July 31, 2017 was \$274,000. The Company estimates that the net proceeds from the Offering will be approximately \$1,145,000 in the event of the Minimum Offering and \$1,610,000 in the event of the Maximum Offering, after deducting the Agent's commission, Corporate Finance Fee and estimated expenses. The funds expected to be available to the Company upon completion of the Offering and the expected principal purposes for which such funds will be used are described below:

Funds Available	Minimum Offering	Maximum Offering
Estimated working capital as of July 31, 2017.....	\$274,000	\$274,000
Net proceeds of the Offering ⁽¹⁾	\$1,145,000	\$1,610,000
Net Funds Available (unaudited).....	\$1,419,000	\$1,884,000

Note:

- (1) After deducting the Agent's commission in the amount of \$105,000 in the event of the Minimum Offering; \$140,000 in the event of the Maximum Offering; Corporate Finance Fee in the amount of \$25,000 (including \$10,000 which has already been paid by the Company) plus applicable taxes; and estimated expenses of approximately \$225,000.

Use of Proceeds

The net proceeds of the Offering, together with the Company's estimated working capital as at July 31, 2017, is intended to be used as follows:

Principal Purpose	Minimum Offering	Maximum Offering
Purchase of reverse circulation drill and drill equipment ⁽¹⁾	\$268,750	\$268,750
Phase 1 of the exploration program on the Wildcat Project.....	\$216,000	\$216,000
Reserve for completion of a portion of Phase 2 of the exploration program on the Wildcat Project, if warranted	\$110,000	\$202,000
Reverse circulation drilling on certain of the Company's other properties:		
Red Property (~1,500 m)	\$20,000	\$51,500
Kitimat Property (~1,000 m)	\$20,000	\$36,000
Copper Star Property (~1,000 m)	\$20,000	\$36,000
Copper King Property (~500 m)	\$25,000	\$35,500
Hogem Property (~500 m)	\$20,000	\$25,500
Nub East Property (~600 m)	\$25,000	\$30,600
Mapping and geochemical sampling on the Tak and Majazz Properties	\$10,000	\$11,000
Phase 2 reverse circulation drilling property to be determined (~1,000 m).....	\$20,000	\$35,000
Annual estimated general and administrative costs ⁽²⁾	\$441,200	\$441,200
Working Capital	\$223,050	\$494,950
Total.....	\$1,419,000	\$1,884,000

Notes:

- (1) Includes cost of additional tools and support equipment.
- (2) The estimated general and administrative costs for the next 12 months are as follows:

Office & Administration	\$69,200
Professional Fees (legal & audit)	\$71,000
Management Fees	\$120,000
Salaries & Consultants	\$152,000
Investor Relations and Communications	\$25,000
Miscellaneous	\$4,000
Total G&A	\$441,200.00

The Company estimates that proceeds from the Offering will fund operations for at least 12 months assuming completion of the Minimum Offering and 18 months assuming completion of the Maximum Offering. The estimated total operating costs necessary for the Company to achieve its business objectives for the next 12 months are \$1,389,050 in the event of the Maximum Offering and \$1,195,950 in the event of the Minimum

Offering (these amounts include an estimated \$268,750 in material capital expenditures during the next 12 months).

Business Objectives and Milestones

The objectives that the Company expects to accomplish using its estimated working capital as at July 31, 2017 and net proceeds from the Offering, are as follows:

- complete the Offering and concurrently obtain a listing of its Shares on the TSXV;
- complete the purchase of its portable reverse circulation drill;
- complete Phase 1 of the exploration program on the Wildcat Project, with reserves set aside to complete at least a portion of Phase 2 of the exploration program, if warranted; and
- advance the Company's other properties by completing reverse circulation drilling, mapping and geochemical sampling with a view to attracting participation of third parties in respect of such projects.

While the Company intends to spend its current working capital and the net proceeds of the Offering as stated above, there may be circumstances where, for sound business reasons, a re-allocation of funds may be necessary or advisable.

The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above, and will depend on a number of factors, including those listed under the heading "Risk Factors".

The Company has not yet achieved positive operating cash flow, and there are no assurances that the Company will not experience negative cash flow from operations in the future.

DIVIDENDS OR DISTRIBUTIONS

The Company has not paid dividends since its incorporation. While there are no restrictions in the Company's articles or pursuant to any agreement or understanding which could prevent the Company from paying dividends or distributions, the Company has limited cash flow and anticipates using all available cash resources to fund working capital and grow its business. As such, there are no plans to pay dividends in the foreseeable future. Any decisions to pay dividends in cash or otherwise in the future will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions existing at the time a determination is made.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company's Financial Statements and MD&A are included as schedules to this Prospectus as Schedule "B" and Schedule "C" respectively.

The Financial Statements and the financial data derived therefrom and included in this Prospectus have been prepared in accordance with IFRS.

The Company's MD&A included herein should be read in conjunction with the Financial Statements and the disclosure contained in this Prospectus.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

The Company's authorized capital consists of an unlimited number of Shares, of which 19,793,850 Shares are issued and outstanding as at the date of this Prospectus and an unlimited number of preferred shares, none of which are issued and outstanding. Holders of the Shares are entitled to one vote per share at all meetings of the holders of common shares of the Company and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Shares, to participate rateably in any distribution of the Company's property or assets upon liquidation or wind-up.

Warrants

The Company has not issued any warrants and there are no warrants outstanding as at the date of this Prospectus. For a description of the Warrants being distributed under the Offering, see "*The Offering – Warrants*".

Options

As of the date of this Prospectus, there are outstanding options exercisable to acquire up to an aggregate of 1,655,000 Shares at exercise prices of \$0.15 to \$0.20 per Share with expiry dates ranging from May 27, 2020 to July 4, 2022.

CONSOLIDATED CAPITALIZATION

The following tables provide information about capitalization as of the date of this Prospectus:

Description of security	Number authorized to be issued	Amount outstanding as of the date of this Prospectus
Shares	No maximum	19,793,850
Options ⁽¹⁾	n/a	1,655,000

Note:

(1) Granted pursuant to the Company's Stock Option Plan. See "*Options to Purchase Securities*" and "*Prior Sales*".

OPTIONS TO PURCHASE SECURITIES

The Board has adopted a stock option plan (the "**Stock Option Plan**") whereby the maximum number of Shares that may be reserved for issuance under outstanding stock options is 10% of the Company's issued and outstanding Shares on a non-diluted basis, as constituted on the date of any grant of options under the Stock Option Plan. The purpose of the Stock Option Plan is to allow the Company to grant options to directors, officers, employees and consultants, as additional compensation and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the Company's shareholders.

Under the Stock Option Plan, options will be exercisable over periods of up to 10 years as determined by the Board and are required to have an exercise price no less than the closing market price of the Shares on the trading day immediately preceding the day on which the Company announces the grant of options (or, if the grant is not announced, the date specified in an Option Agreement as the date on which the option is granted), less the applicable discount, if any, permitted by the policies of the TSXV and approved by the Board. Pursuant to the Stock Option Plan, the Board may from time to time authorize the issue of options to directors, senior officers, employees and consultants of the Company and its subsidiaries or employees of

companies providing management or consulting services to the Company or its subsidiaries. The maximum number of Shares which may be issued pursuant to options previously granted and those granted under the Stock Option Plan or any other stock option plan of the Company will be 10% of the issued and outstanding 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 (without the requisite disinterested shareholder approval) 5% of the issued Shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Stock Option Plan permits the Board to specify a vesting schedule in its discretion, subject to the TSXV's minimum vesting requirements, if any. Unless otherwise specified by the Board at the time of granting an option, and subject to the other limits on option grants set out in the Stock Option Plan, all options granted under the Stock Option Plan shall vest and become exercisable in full upon grant, except options granted to consultants performing investor relations activities, which options must vest in stages over twelve months with no more than one-quarter of the options vesting in any three month period.

The Stock Option Plan provides that if a change of control (as defined in the Stock Option Plan) occurs, or if the Company is subject to a take-over bid, all Shares subject to options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder. The Board may also accelerate the expiry date of outstanding options in connection with a take-over bid.

The Stock Option Plan contains adjustment provisions with respect to outstanding options in cases of share reorganizations, special distributions and other corporation reorganizations including an arrangement or other transaction under which the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company or securities of another company.

The Stock Option Plan provides that on the death or disability of an option holder, all vested options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Company other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases its office, employment or engagement with the Company.

The Stock Option Plan contains a provision that if pursuant to the operation of an adjustment provision of the Stock Option Plan, an optionee receives options (the "**New Options**") to purchase securities of another company (the "**New Company**") in respect of the optionee's options under the Stock Option Plan (the "**Subject Options**"), the New Options shall expire on the earlier of: (i) the expiry date of the Subject Options; (ii) if the optionee does not become an eligible person in respect of the New Company, the date that the Subject Options expire pursuant to the applicable provisions of the Stock Option Plan relating to expiration of options in cases of death, disability or termination of employment discussed in the preceding paragraph above (the "**Termination Provisions**"); (iii) if the optionee becomes an eligible person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New Company's stock option plan that correspond to the Termination Provisions; and (iv) the date that is one (1) year after the optionee ceases to be an eligible person in respect of the New Company or such shorter period as determined by the Board.

All outstanding options of the Company are governed by the Stock Option Plan, including those issued prior to the implementation of the Stock Option Plan; however, any vesting schedule imposed by the Company's previous stock option plan or stock option agreements in respect of any options issued prior to the implementation of the Stock Option Plan will remain in full force and effect. In accordance with good

corporate governance practices and as recommended by National Policy 51-201 – *Disclosure Standards*, the Company imposes black-out periods restricting the trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board. In order to ensure that holders of outstanding options are not prejudiced by the imposition of such black-out periods, the Stock Option Plan contains a provision to the effect that any outstanding options with an expiry date occurring during a management imposed black-out period or within five trading days thereafter will be automatically extended to a date that is 10 trading days following the end of the black-out period.

The following table summarizes the allocation of the options granted by the Company up to the date of this Prospectus:

Optionee	Number of Options ⁽¹⁾	Exercise Price (CDN\$)	Grant Date	Expiry Date
Executive officers and past executive officers (3 persons)	240,000 ⁽²⁾	\$0.20 ⁽⁴⁾	May 27, 2015	May 27, 2020
	500,000 ⁽³⁾	\$0.20	June 23, 2017	June 23, 2022
Directors and past directors (not executive officers) (2 persons)	400,000 ⁽³⁾	\$0.20	June 23, 2017	June 23, 2022
Employees and past employees	Nil	N/A	N/A	N/A
Consultants	65,000 ⁽²⁾	\$0.15	May 27, 2015	May 27, 2020
	100,000 ⁽²⁾	\$0.15	June 7, 2016	June 7, 2021
	200,000 ⁽³⁾	\$0.20	June 23, 2017	June 23, 2022
	150,000 ⁽³⁾	\$0.20	July 4, 2017	July 4, 2022
Total:	1,655,000			

Notes:

- (1) Excludes 20,000 options, which expired unexercised, previously issued to the Company's former corporate secretary.
- (2) These options vest as to 25% every twelve months from date of grant such that 100% will be vested on the fourth anniversary of the date of grant.
- (3) These options vest as to 25% every three months from date of grant such that 100% will be vested on the first anniversary of the date of grant.
- (4) These options were initially granted at an exercise price of \$0.15 per share, which exercise price was amended prior to the Offering, with the written consent of each optionee, to \$0.20 per share.

PRIOR SALES

Since the date of its incorporation (July 13, 2012), the Company has issued (other than pursuant to the Offering) the following securities:

Date of Issue	Type of Securities	Reason for Issue	Number of Securities	Issue or Exercise Price per Security
July 13, 2012	Common Shares	Private Placement	600,000	\$0.01
September 24, 2012	Common Shares	Shares for Debt ⁽¹⁾	25,000	\$0.05
April 15, 2013	Common Shares	Private Placement	6,505,000	\$0.10

Date of Issue	Type of Securities	Reason for Issue	Number of Securities	Issue or Exercise Price per Security
May 22, 2013	Common Shares	Shares for Debt ⁽¹⁾	1,355,000	\$0.05
May 29, 2014	Common Shares	Private Placement	400,000	\$0.10
June 26, 2014	Common Shares	Private Placement	175,000	\$0.10
August 19, 2014	Common Shares	Private Placement	2,350,000	\$0.10
May 27, 2015	Stock Options	Grant of Stock Options	305,000 ⁽²⁾	\$0.15 ⁽³⁾
May 18, 2016	Common Shares	Private Placement	1,500,000	\$0.10
June 7, 2016	Stock Options	Grant of Stock Options	100,000	\$0.15
January 24, 2017	Common Shares	Private Placement	6,118,850	\$0.10
May 12, 2017	Common Shares	Private Placement	765,000	\$0.10
June 23, 2017	Stock Options	Grant of Stock Options	1,100,000	\$0.20
July 4, 2017	Stock Options	Grant of Stock Options	150,000	\$0.20

Notes:

- (1) In consideration for past services performed for the Company.
- (2) Excludes 20,000 options, which expired unexercised, previously issued to the Company's former corporate secretary.
- (3) 240,000 of these options held by executive officers of the Company were initially granted at an exercise price of \$0.15 per share, which exercise price was amended prior to the Offering, with the written consent of each optionee, to \$0.20 per share.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrowed Securities

In the event that the Company's Shares become listed on the TSXV, the Company anticipates that it will be classified as an "emerging issuer", as defined under NP 46-201 upon such listing. Each of Brad Peters, Rory Ritchie, Elizabeth Ritchie, Larry Donaldson, L.B. Donaldson Ltd. (a company controlled by Larry Donaldson), Keith Henderson and Exploration Capital Partners 2012 Limited Partnership (collectively, the "**Escrow Holders**") would fall within the definition of "principal" of an emerging issuer under NP 46-201 or would otherwise be treated in the same manner as a principal under NP 46-201. In accordance with applicable securities rules, the Escrow Holders who hold securities of the Company that are subject to escrow have executed an escrow agreement with the Company and the Escrow Agent made as of ●, 2017 substantially in the form attached as an Appendix to NP 46-201 (Form 46-201F1) (the "**Escrow Agreement**") in respect of an aggregate of 7,085,000 Shares. The Escrow Agreement will be filed under the Company's profile at www.sedar.com upon the issuance of the final receipt for this Prospectus.

Pursuant to the terms of the Escrow Agreement, each of the Escrow Holders has agreed that, for a period of three years from the date on which the Shares are listed for trading on the TSXV, it will not transfer or otherwise dispose of securities of the Company that are subject to the Escrow Agreement unless expressly permitted by the Escrow Agreement, except that, the following automatic timed releases will apply to such securities:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	The remaining escrowed securities

The following table sets out information on the number of Shares that are subject to the terms of the Escrow Agreement among the Company, the Escrow Agent, and each of the Escrow Holders who hold securities of the Company that are subject to escrow:

Name and Position of Escrow Holder	Number of Escrowed Securities	Percentage of Class⁽¹⁾
Brad Peters President, CEO & Director	892,500 Shares	4.5%
Rory Ritchie VP, Exploration & Director	942,500 Shares ⁽²⁾	4.8%
Larry Donaldson Director	500,000 Shares ⁽³⁾	2.5%
Keith Henderson Director	250,000 Shares	1.3%
Exploration Capital Partners 2012 Limited Partnership Shareholder	4,500,000 Shares	22.7%
Total	7,085,000 Shares	35.8%

Notes:

- (1) Based on 19,793,850 issued and outstanding Shares; all percentages are rounded to the nearest tenth and are calculated on a non-diluted basis.
- (2) Includes Shares held by Mr. Ritchie's spouse, Elizabeth Ritchie.
- (3) Shares are held by L.B. Donaldson Ltd., a company controlled by Larry Donaldson.

Securities Subject to Contractual Restriction

In addition to the foregoing escrow requirements, certain outstanding securities of the Company issued to persons other than the Escrow Holders at a price below the Offering Price will be subject to the seed share resale restrictions of the TSXV, which will be imposed by: (i) the certificates representing the securities subject to such resale restrictions being legended with a specified date before which such securities shall not be transferred and the Company's transfer agent being instructed to not remove the legend until the specified date has passed; or (ii) each holder of securities subject to such resale restrictions entering into a pooling agreement with the Company's transfer agent whereby the transfer agent will hold the certificates

representing such securities until such resale restrictions have expired (the "**Pooling Agreement**"). The Company's transfer agent is Computershare Investor Services Inc.

The term of the seed share resale restriction to which a security of the Company may be subject varies based on the price at which such security was issued and the length of time during which such security has been held. The following table sets out information on the number of securities that are subject to the seed share resale restrictions of the TSXV:

Designation of Class	Number of Securities Subject to Restriction⁽¹⁾	Percentage of Class⁽²⁾
Shares	215,000	1.1%

Notes:

- (1) 215,000 Shares are subject to the seed share resale restrictions, of which: (i) 15,000 Shares are subject to a four month hold with 20% of such Shares being released every month with the first release occurring on the completion of the Offering; and (ii) 200,000 Shares are subject to a 36 month hold with 10% of such Shares being released on the Listing Date and 15% of such Shares being released every six months following the Listing Date.
- (2) Based on 19,793,850 issued and outstanding Shares; all percentages are rounded to the nearest tenth and are calculated on a non-diluted basis.

PRINCIPAL SHAREHOLDERS

To the knowledge of the Company's directors and officers, the only person who beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the issued and outstanding Shares is as follows:

Name	Position or Office held with the Company	Common Shares Beneficially Owned or Controlled	Percentage of Ownership on an Undiluted Basis⁽¹⁾	Percentage of Ownership on a Fully-diluted Basis⁽²⁾
Exploration Capital Partners 2012 Limited Partnership Carlsbad, CA, U.S.A. ⁽³⁾	Shareholder	4,500,000	22.7%	13.4%

Notes:

- (1) Based on 19,793,850 issued and outstanding Shares.
- (2) Based on 33,486,350 issued and outstanding Shares, assuming completion of the Minimum Offering and exercise of all outstanding Warrants, Compensation Options and Compensation Warrants issued under the Minimum Offering and outstanding options. 12.0% based on 37,498,850 issued and outstanding Shares, assuming completion of the Maximum Offering and exercise of all outstanding Warrants, Compensation Options and Compensation Warrants issued under the Maximum Offering and outstanding options.
- (3) All Shares are owned both of record and beneficially.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation, and Security Holdings

The following table sets out the name; province and country of residence; position or offices held with the Company; date appointed; number and percentage of voting securities of the Company that each of the

directors and executive officers beneficially owns directly or indirectly, or exercises control over as at the date of this Prospectus:

Name, Current Position, and Province and Country of Residence	Position Held Since	Common Shares Beneficially Owned or Controlled	Number of Convertible or Exchangeable Securities Outstanding	Total Ownership on an Undiluted Basis ⁽⁴⁾	Total Ownership on a Fully-diluted Basis ⁽⁵⁾
Brad Peters ⁽¹⁾⁽²⁾⁽³⁾ President, CEO & Director British Columbia, Canada	July 13, 2012	892,500	100,000 ⁽⁶⁾ 200,000 ⁽⁷⁾	4.5%	5.6%
Rory Ritchie VP, Exploration & Director British Columbia, Canada	July 13, 2012	942,500 ⁽⁸⁾	100,000 ⁽⁶⁾ 200,000 ⁽⁷⁾	4.8%	5.8%
Larry Donaldson ⁽¹⁾⁽²⁾⁽³⁾ Director British Columbia, Canada	April 13, 2017	500,000 ⁽⁹⁾	200,000 ⁽⁷⁾	2.5%	3.3%
Keith Henderson ⁽¹⁾⁽²⁾⁽³⁾ Director British Columbia, Canada	April 10, 2017	250,000	200,000 ⁽⁷⁾	1.3%	2.1%
Douglas Reed CFO British Columbia, Canada	May 27, 2015	NIL	40,000 ⁽⁶⁾ 100,000 ⁽⁷⁾	NIL	0.7%
Kim Casswell Corporate Secretary British Columbia, Canada	June 7, 2016	NIL	60,000 ⁽⁷⁾	NIL	0.3%

Notes:

- (1) Member of the audit committee, of which Mr. Donaldson is the Chair.
- (2) Member of the compensation committee, of which Mr. Henderson is the Chair.
- (3) Member of the corporate governance committee, of which Mr. Peters is the Chair.
- (4) Based on 19,793,850 issued and outstanding Shares.
- (5) Based on 21,448,850 issued and outstanding Shares, assuming exercise of all outstanding options.
- (6) Represents options to purchase Shares at an exercise price of \$0.20 per Share until May 27, 2020 (five years from the date of grant) pursuant to the Stock Option Plan, which options vest as to 25% every twelve months from date of grant such that 100% will be vested on the fourth anniversary of the date of grant.
- (7) Represents options to purchase Shares at an exercise price of \$0.20 per Share until June 23, 2022 (five years from the date of grant) pursuant to the Stock Option Plan, which options vest as to 25% every three months from date of grant such that 100% will be vested on the first anniversary of the date of grant.
- (8) Includes Shares held by Mr. Ritchie's spouse, Elizabeth Ritchie.
- (9) Shares are held by L.B. Donaldson Ltd., a company controlled by Larry Donaldson.

Management – Directors and Officers of the Company

Below is a brief description of each of the directors and executive officers of the Company including: names; ages; positions and responsibilities; relevant educational background; principal occupations or employment during the five years preceding the date of this Prospectus; and relevant experience in the education industry.

Brad Peters - President, CEO and Director

Mr. Peters, age 44, is a geologist with 10 years in the mining industry and a diverse experience base including exploration geology worldwide. Mr. Peters has a history of mining exploration work in British Columbia including copper and gold mineral projects.

Mr. Peters graduated from the University of British Columbia in 2009 with a B.Sc. degree in Earth and Ocean Sciences.

Mr. Peters is a consultant of the Company, and, in his capacity as President and CEO and a member of the Company's audit committee, compensation committee and corporate governance committee, will dedicate substantially all of his professional time to the affairs of the Company. Mr. Peters is party to a consulting agreement with the Company which agreement contains, among other things, non-competition and confidentiality clauses.

Rory Ritchie - Vice President, Exploration and Director

Mr. Ritchie, age 35, is a professional geologist with 10 years in the mining industry and a diverse experience base including exploration geology in Ontario, Yukon, Arizona and British Columbia. Mr. Ritchie has a history of mining exploration work in British Columbia including copper and gold Mineral Projects.

Mr. Ritchie graduated from the University of Western Ontario with an honours B.Sc. degree in Chemistry in 2004, and fulfilled Association of Professional Engineers and Geoscientists requirements at Simon Fraser University in 2008.

Mr. Ritchie is a Professional Geoscientist with the Association of Professional Engineers and Geoscientists of British Columbia.

Mr. Ritchie is a consultant of the Company, and, in his capacity as Vice President, Exploration, will dedicate substantially all of his professional time to the affairs of the Company. Mr. Ritchie is party to a consulting agreement with the Company which agreement contains, among other things, non-competition and confidentiality clauses.

Larry Donaldson – Director and Audit Committee Chair

Larry Donaldson, age 69, is a Chartered Professional Accountant with over 40 years of accounting, auditing and tax experience. He graduated from The University of British Columbia in 1971 with a Bachelor of Commerce degree. He is the managing partner of a local Chartered Professional Accounting firm and has extensive experience in public company audits and in accounting and tax planning for mineral exploration-based companies. Mr. Donaldson is currently the Chief Financial Officer of Rockhaven Resources Ltd., ATAC Resources Ltd., Strategic Metals Ltd., Silver Range Resources Ltd., Trifecta Gold Ltd. and Califfi Capital Corp.

Mr. Donaldson intends to dedicate approximately 10% of his professional time to the affairs of the Company. Mr. Donaldson is the Chair of the Company's audit committee and a member of the Company's compensation committee and corporate governance committee.

Keith Henderson - Director

Keith Henderson, age 46, is a mining industry executive with 20 years' experience throughout Africa, Europe, and North and South America. He was educated in Europe, graduating with B.Sc. (Hons) and M.Sc. in geology and has extensive experience in multiple mineral deposit types and commodities.

After several years in consulting roles, Mr. Henderson worked with Anglo American Exploration in Europe and North America, leading a number of exploration projects and ultimately, he was project manager for Anglo Coal as the company made its first entry into Canada. In 2007, Keith joined Cardero Resource Corp. as Executive Vice-President, where he played a critical role in advancing the Pampa de Pongo through a positive scoping study and ultimate sale for US\$100 million cash. Mr. Henderson is currently President and CEO of Centenera Mining Corp. and Velocity Minerals Ltd., and a director at Desert Star Resources Ltd., Remo Resources Inc. and Velocity Minerals Ltd.

Mr. Henderson intends to dedicate approximately 10% of his professional time to the affairs of the Company. Mr. Henderson is the Chair of the Company's compensation committee and a member of the Company's audit committee and corporate governance committee.

Douglas Reed - CFO

Douglas Reed, age 39, is a Chartered Professional Accountant. Mr. Reed brings more than 10 years of accounting experience in the mineral exploration and mining industry focusing on financial reporting, regulatory compliance, internal control and corporate finance activities. He has also worked in public practice as an audit manager overseeing the annual audits of public companies and auditor requirements related to various special transactions. Mr. Reed is also Chief Financial Officer of Revelo Resources, and the Corporate Controller of EMX Royalty Corporation (formerly Eurasian Minerals Inc.). He was formerly the CFO of Sundance Minerals Ltd.

Mr. Reed is an independent contractor of the Company and intends to dedicate approximately 20% of his professional time to the affairs of the Company.

Kim Casswell – Corporate Secretary

Kim Casswell, age 60, has been the Corporate Secretary of several public companies listed on the TSXV and the Toronto Stock Exchange since 1994. Ms. Casswell has played an important role in the growth of these companies and is familiar with regulations governing public companies in several jurisdictions. Ms. Casswell is currently the Corporate Secretary for Atico Mining Corporation, EMX Royalty Corporation (formerly Eurasian Minerals Inc.), Revelo Resources Corp., Lara Exploration Ltd., Legend Gold Corp., Reservoir Capital Corp. and Metalla Royalty & Streaming Ltd.

Ms. Casswell is an independent contractor of the Company and intends to dedicate approximately 15% of her professional time to the affairs of the Company.

Term of Office of Directors

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

Aggregate Ownership of Securities

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercise control 2,585,000 Shares collectively representing 13.1% of the

19,793,850 issued and outstanding Shares.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises, any director in a conflict will disclose his interest and abstain from voting on such matter at a meeting of the Board.

To the best of the Company's knowledge, and other than as disclosed in this Prospectus, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or any proposed promoter, director, officer or other member of management as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the Company's knowledge, no existing or proposed director or executive officer of the Company is, as at the date of this Prospectus, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Company, that:

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

Bankruptcies

To the Company's knowledge, no existing or proposed director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (i) is, as at the date of this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (ii) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the Company's knowledge, no existing or proposed director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (i) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement with a provincial and territorial securities regulatory authority; or
- (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

In this section, "Named Executive Officer" means each of the following individuals:

- (a) the Company's chief executive officer, including an individual performing functions similar to a chief executive officers (the "**CEO**");
- (b) the Company's chief financial officer, including an individual performing functions similar to a chief financial officer (the "**CFO**");
- (c) the most highly compensated executive officer of the Company and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company and was not acting in a similar capacity, at the end of that financial year.

The Company's Named Executive Officers for the purposes of this section are Brad Peters (President and CEO), Douglas Reed (CFO) and Rory Richie (VP, Exploration).

The Company was not a reporting issuer at any time during the most recently completed financial period. Future compensation to be awarded or paid to the Company's directors and/or executive officers, including Named Executive Officers, once the Company becomes a reporting issuer is expected to consist primarily of management fees, stock options and bonuses. Payments may be made from time to time to executive officers, including Named Executive Officers, or companies they control for the provision of consulting or management services. Such services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers. Following the Listing Date, the Company expects to pay fees for management services pursuant to the terms of the Seaboard Services Agreement, BJP Consulting Agreement and RRG Consulting Agreement as forth under "*External Management Companies*" and "*Employment, Consulting and Management Agreements*" below; and to grant incentive stock options to all of the Company's directors and management, including Named Executive Officers, pursuant to the Stock Option Plan. The Board will from time to time determine the stock option grants to be made pursuant to the Stock Option Plan after consultation with the Company's compensation committee. See "*Stock Option Plan*" below and "*Options to Purchase Securities*". In addition, it is anticipated that the Board may award bonuses,

in its sole discretion, to executive officers, including Named Executive Officers, from time to time after consultation with the Company's compensation committee. See "*Corporate Governance Disclosure – Compensation*".

In assessing the compensation of its directors and executive officers, including the Named Executive Officers, the Company does not have in place any formal objectives, criteria or analysis. Compensation payable to executive officers and directors is currently reviewed and recommended by the Company's compensation committee, and ultimately approved by the Board, on an annual basis. See "*Corporate Governance Disclosure – Compensation*". The Corporation has not established any specific performance criteria or goals to which total compensation or any significant element of total compensation to be paid to any Named Executive Officer is dependent. Named Executive Officers' performance is reviewed in light of the Company's objectives from time to time and such officers' compensation is also compared to that of executive officers of companies of similar size and stage of development in the mineral exploration industry. Though the Company does not have pre-existing performance criteria, objectives or goals, it is anticipated that, once the Company becomes a reporting issuer, the Company's compensation committee will review all compensation arrangements and policies in place and consider recommending to the Board the adoption of formal compensation guidelines.

Management fee payments made to Named Executive Officers for management services provided to the Company in connection with their executive officer duties are the only form of compensation awarded to, earned by, paid or payable to the Named Executive Officers for the most recently completed financial year ending March 31, 2017.

External Management Companies

None of Brad Peters, Douglas Reed nor Rory Ritchie, each a Named Executive Officer, are employees of the Company.

Pursuant to the services agreement dated October 1, 2014 (the "**Seabord Services Agreement**") between the Company and Seabord Services Corp. ("**Seabord**"), Seabord provides various administrative, management and related services to the Company. Seabord employs Douglas Reed, the Company's CFO, who provides services to the Company, including accounting and financial services, pursuant to the Seabord Services Agreement. Seabord also provides the services of Kim Casswell, the Company's Corporate Secretary and an employee of Seabord, and office space to the Company pursuant to the Seabord Services Agreement.

Pursuant to the consulting agreement dated August 24, 2017 (the "**BJP Consulting Agreement**") between the Company and BJP Consulting ("**BJP**"), the Company has engaged BJP, and through BJP, Brad Peters, to provide various services in connection with performing the function of President of the Company. BJP is a company wholly owned by Mr. Peters. See "*Employment, Consulting and Management Agreements*".

Pursuant to the consulting agreement dated August 24, 2017 (the "**RRGC Consulting Agreement**") between the Company and Rory Ritchie Geological Consulting ("**RRGC**"), the Company has engaged RRGC, and through RRGC, Rory Ritchie, to provide various services in connection with performing the function of Vice President, Exploration of the Company. RRGC is a company wholly owned by Mr. Ritchie.

See "*Employment, Consulting and Management Agreements*" below for further details regarding the Seabord Services Agreement, BJP Consulting Agreement and RRGC Consulting Agreement.

Stock Option Plan

The Stock Option Plan is expected to be used to grant stock options to directors, officers (including Named Executive Officers), employees and consultants of the Company, as additional compensation and as an

opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the Company's shareholders.

In determining the number of options to be granted to directors or executive officers, including the Named Executive Officers, the Board will take into account, among other things:

- the number of options, if any, previously granted to each director or executive officer; and
- the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSXV and closely align the interests of the directors and executive officers with the interests of shareholders.

The independent members of the Board have the responsibility of administering the compensation policies related to the directors and executive management of the Company, including option-based awards.

The Stock Option Plan has not been approved by the shareholders of the Company. In accordance with the policies of the TSXV, after the Listing Date, the Company must obtain shareholder approval of its Stock Option Plan on an annual basis at each annual general meeting of shareholders.

See "*Options to Purchase Securities*" for the material terms of the Stock Option Plan.

Employment, Consulting and Management Agreements

The Company is not party to any agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or Named Executive Officer or performed by any other party but are services typically provided by a director or Named Executive Officer, other than: (i) the Seabord Services Agreement; (ii) the BJP Consulting Agreement; (iii) the RRCG Consulting Agreement; (iv) the advisory board agreement dated June 7, 2016 between the Company and Dr. Paul Johnston, P. Geo. (the "**Johnston Advisory Agreement**"), pursuant to which Dr. Johnston has been engaged by the Company to provide various advisory services, including guidance on matters relating to mineral exploration strategies and copper, silver and gold mineralization; and (v) the advisory board agreement dated July 4, 2017 between the Company and Neil Adshead (the "**Adshead Advisory Agreement**"), pursuant to which Mr. Adshead has been engaged by the Company to provide various advisory services, including guidance on matters relating to mineral exploration strategies and expanding upon the Company's network in the mining and investment sectors.

Seabord and certain of its employees, including Douglas Reed, the Company's CFO, provide services to the Company under the Seabord Services Agreement. See "*External Management Companies*" above. The current monthly fee payable to Seabord pursuant to the Seabord Services Agreement is \$2,900, which monthly fee is subject to adjustments as agreed to from time to time by Seabord and the Company's President and CEO. Additional fees that are not expressly set forth in the Seabord Services Agreement (ie. IPO fees, private placement fees, corporate restructuring), if required by the Company from time to time, are billed by Seabord to the Company at pre-determined hourly rates for each employee of Seabord involved in providing such services. Following the Listing Date, the Company anticipates that fees payable to Seabord will be increased to an average of \$10,000 per month pursuant to the Seabord Services Agreement due to the additional operating costs as a result of being a TSXV-listed reporting issuer with additional compliance, continuous disclosure and reporting requirements which entails a larger scope of services from Seabord and its employees. The Seabord Services Agreement may be terminated by either party providing three months' written notice to the other party. The Company may terminate the Seabord Services Agreement prior to the expiry of the three-month notice period by paying Seabord, calculated on a pro-rata basis, for the number of

days remaining within the three-month notice period. The term of the Seabord Services Agreement is indefinite, subject to early termination in accordance with the foregoing termination provision and other standard termination provisions contained in the Seabord Services Agreement.

BJP is wholly owned by Brad Peters, President and CEO of the Company. Through BJP, Mr. Peters, provides services to the Company under the BJP Consulting Agreement for a monthly work fee of \$400 multiplied by the number of days and fractions thereof worked for that month. Subject to the terms of the BJP Consulting Agreement, including the approval of the TSXV, and the consent of the Board, BJP has the option to receive its fee (including any amount owed on termination without cause) under the BJP Consulting Agreement through the issuance of Shares, which Shares, at the time of issuance, shall have the same economic value as the portion of the fee due and owing to BJP. Under the terms of the BJP Consulting Agreement, the deemed price of the Shares issued for services must be determined after the date the services are provided to the Company, as required by the TSXV. Under the BJP Consulting Agreement, the Company annually reviews the fee and other forms of compensation or reward (ie. stock options) payable to BJP, with reference to the existing market average for similar companies within the mining industry, and the BJP Consulting Agreement is subject to automatic amendment to reflect any changes in such compensation or reward approved by the Board and accepted by BJP. Furthermore, if within 12 months following a change of control, the BJP Consulting Agreement is terminated by the Company without cause or by BJP with or without cause, the Company must pay BJP severance in the form of a lump sum payment equivalent to three months of consulting fees (based on the average monthly fee paid to BJP over the prior 12 months). The BJP Consulting Agreement may be terminated by either party providing 90 days' written notice to the other party, by the Company for cause without the payment of severance, and by the Company without cause with the payment of severance in the form of a lump sum payment equivalent to three months of consulting fees (based on the average monthly fee paid to BJP over the prior 12 months). The term of the BJP Consulting Agreement is indefinite, subject to early termination in accordance with the foregoing termination provisions and other standard termination provisions contained in the BJP Consulting Agreement.

Pursuant to the RRGC Consulting Agreement, the Company has engaged RRGC, and through RRGC, Rory Ritchie, to provide various services in connection with performing the function of Vice President, Exploration of the Company. RRGC is wholly owned by Mr. Ritchie, Vice President, Exploration. RRGC and, through RRGC, Mr. Ritchie, provide services to the Company under the RRGC Consulting Agreement for a monthly work fee of \$400 multiplied by the number of days and fractions thereof worked for that month. Subject to the terms of the RRGC Consulting Agreement, including the approval of the TSXV, and the consent of the Board, RRGC has the option to receive its fee (including any amount owed on termination without cause) under the RRGC Consulting Agreement through the issuance of Shares, which Shares, at the time of issuance, shall have the same economic value as the portion of the fee due and owing to RRGC. Under the terms of the RRGC Consulting Agreement, the deemed price of the Shares issued for services must be determined after the date the services are provided to the Company, as required by the TSXV. Under the RRGC Consulting Agreement, the Company annually reviews the fee and other forms of compensation or reward (ie. stock options) payable to RRGC, with reference to the existing market average for similar companies within the mining industry, and the RRGC Consulting Agreement is subject to automatic amendment to reflect any changes in such compensation or reward approved by the Board and accepted by RRGC. Furthermore, if within 12 months following a change of control, the RRGC Consulting Agreement is terminated by the Company without cause or by RRGC with or without cause, the Company must pay RRGC severance in the form of a lump sum payment equivalent to three months of consulting fees (based on the average monthly fee paid to RRGC over the prior 12 months). The RRGC Consulting Agreement may be terminated by either party providing 90 days' written notice to the other party, by the Company for cause without the payment of severance, and by the Company without cause with the payment of severance in the form of a lump sum payment equivalent to three months of consulting fees (based on the average monthly fee paid to RRGC over the prior 12 months). The term of the RRGC Consulting Agreement is indefinite, subject to early termination in accordance with the foregoing

termination provisions and other standard termination provisions contained in the RRG Consulting Agreement.

The Johnston Advisory Agreement continues for successive one-year periods, unless terminated by either party upon 30 days' prior written notice to the other party. In consideration for the services provided under the Johnston Advisory Agreement, the Company issued to Dr. Paul Johnston, P. Geo incentive stock options exercisable to purchase up to 100,000 Shares until June 7, 2021 at an exercise price of \$0.15 per Share. Dr. Johnston is also entitled to reimbursement for reasonable *bona fide* third party expenses incurred in connection with providing the services to the Company.

The Adshead Advisory Agreement continues for successive one-year periods, unless terminated by either party upon 30 days' prior written notice to the other party. In consideration for the services provided under the Adshead Advisory Agreement, the Company issued to Neil Adshead incentive stock options exercisable to purchase up to 150,000 Shares until July 4, 2022 at an exercise price of \$0.20 per Share. Mr. Adshead is also entitled to reimbursement for reasonable *bona fide* third party expenses incurred in connection with providing the services to the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company, or any associate or affiliate of such person is or has ever been indebted to the Company; nor has any such person's indebtedness to any other entity been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The text of the Company's audit committee charter is attached as Schedule "D" hereto.

Composition of Audit Committee and Independence

The following are the members of the audit committee:

Larry Donaldson (Chair)	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Keith Henderson	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Brad Peters	Not independent ⁽¹⁾	Financially literate ⁽¹⁾

Note:

⁽¹⁾ As defined under National Instrument 52-110 *Audit Committees* ("**NI 52-110**").

Relevant Education and Experience

See "*Directors and Executive Officers*" and "*Management of the Company*" concerning the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee.

Audit Committee Oversight

At no time has a recommendation of the Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

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

Pre-Approval Policies and Procedures

The audit committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The following table sets out the audit fees incurred by the Company during the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
March 31, 2017	\$25,000 ⁽¹⁾	Nil	Nil	\$7,500 ⁽²⁾
March 31, 2016	Nil	Nil	Nil	Nil

Note:

⁽¹⁾ Excludes taxes in the amount of \$1,625.

⁽²⁾ Excludes taxes in the amount of \$375.

Exemption

The Company is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

The Company's Board consists of 4 directors, 2 of whom are independent based upon the tests for independence set forth in NI 52-110. Larry Donaldson and Keith Henderson are independent. Brad Peters is not independent as he is the President and CEO of the Company. Rory Ritchie is not independent as he is the VP, Exploration of the Company.

Directorships

The following directors of the Company also serve as directors of other reporting issuers:

Name of Director	Other Reporting Issuer	Name of Exchange or Market
Brad Peters	None	N/A
Rory Ritchie	None	N/A
Larry Donaldson	None	N/A
Keith Henderson	Centenera Mining Corp.	TSXV
	Desert Star Resources Ltd.	TSXV
	Remo Resources Inc.	TSXV
	Velocity Minerals Ltd.	TSXV

Orientation and Continuing Education

The Company's corporate governance committee is responsible for, among other things, providing suitable programs, with the assistance of management, for the orientation of new directors and the continuing education of incumbent directors. Each new director is given an outline of the nature of the Company's business, its corporate strategy, and current issues within the Company. New directors are encouraged to review the Company's public disclosure records and are also required to meet with management of the Company to discuss and better understand the Company's business and are given the opportunity to meet with counsel to the Company to discuss their legal obligations as directors of the Company.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

Nomination of Directors

The Company does not have a stand-alone nomination committee. The Company's corporate governance committee is responsible for, among other things, identifying and recommending qualified candidates for appointment, election and re-election to the Board and its committees. The Company's corporate governance committee consists of Brad Peters (Chair), Larry Donaldson and Keith Henderson. In recommending candidates to the Board, the corporate governance committee considers, among other factors and in the context of the needs of the Board, potential conflicts of interest, professional experience, personal character, diversity, outside commitments and particular areas of expertise. The Company's management is continually in contact with individuals involved with public sector issuers. From these sources management has made numerous contacts and if the Company requires any new directors, such individuals will be brought to the attention of the Company's corporate governance committee. The Company conducts due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, integrity of character and a willingness to serve.

Compensation

The Company's compensation committee is responsible for, among other things, reviewing and recommending to the Board all compensation arrangements for the executive officers and directors of the Company, including stock option grants. The Company's compensation committee consists of Keith Henderson (Chair), Larry Donaldson and Brad Peters. The independent members of the compensation committee are Larry Donaldson and Keith Henderson. These directors have the responsibility for approving compensation for executive officers of the Company who are also members of the Board.

To determine the recommended compensation payable, the compensation committee will review compensation paid for directors and executive officers of companies of similar size and stage of development in the mineral exploration industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers while taking into account the financial and other resources of the Company.

In setting the compensation, the compensation committee will annually review the performance of the executive officers in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives. For further information regarding the how the Company determines compensation for its directors and executive officers, see "*Executive Compensation*".

Other Board Committees

As the directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual directors. The contributions of an individual director is informally monitored by the other Board members, having in mind the business and other strengths of the individual and the purpose of originally nominating the individual to the Board.

To assist the Board in its assessment, the Board may receive reports from the Company's corporate governance committee regarding its assessment of the functioning of the Board and reports from each committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

THE OFFERING

The Offering consists of a minimum of 7,500,000 Units and a maximum of 10,000,000 Units, each Unit consisting of one Share and one-half of one Warrant. Each whole Warrant will entitle its holder to purchase one Share at a price of \$0.30 at any time prior to 4:30 p.m. (Vancouver Time) on the date that is 24 months following the Closing Date.

Common Shares

For a description of the attributes of the Shares, see "Description of Securities Distributed – Common Shares".

Warrants

The following statements are subject to the detailed provisions of the Warrant Indenture referred to below. The Warrants will be issued in registered form and will be governed by an indenture to be dated as of the Closing Date (the "**Warrant Indenture**") between the Company and the Warrant Agent, as warrant agent thereunder. The Company has appointed the offices of the Warrant Agent at its offices in Vancouver, British Columbia as the location at which Warrants may be surrendered for exercise or transfer. The following summary of certain provisions of the Warrant Indenture does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture.

Each Warrant will entitle its holder to purchase one Share at a price of \$0.30, subject to adjustment as summarized below. Warrants will be exercisable at any time prior to 4:30 p.m. (Vancouver time) on the date that is 24 months following the Closing Date, after which the Warrants will expire and become null and void.

The Warrant Indenture will provide for adjustment in the number of Shares issuable upon the exercise of the Warrants and/or the exercise price per Share in the event of: (i) the subdivision or consolidation of the Shares or issuance of a stock dividend on the Shares or other distribution of Shares or securities convertible into Shares; (ii) the issuance of rights, options or warrants to purchase Shares or securities convertible into Shares at less than 95% of the "current market price" (as defined in the Warrant Indenture) of the Shares; and (iii) the distribution to all or substantially all the holders of Shares of shares of any other class or of rights, options or warrants (other than those referred to in (ii), above) to acquire Shares or securities convertible into Shares or property or other assets of the Company or of evidences of indebtedness or cash, securities or any property or other assets. The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of: (i) any reclassification, subdivision, redivision, reduction, combination, consolidation or change of the Shares; (ii) an amalgamation, merger, plan of arrangement or consolidation of the Company with another entity; or (iii) the transfer of all or substantially all of the assets of the Company.

No adjustment of the exercise price shall be made if the amount of such adjustment shall be less than 1% of the exercise price in effect immediately prior to the event giving rise to the adjustment, provided, however, that in such case any adjustment that would otherwise be required then to be made shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which, together with any adjustment so carried forward, shall amount to at least 1% of the exercise price.

No fractional Shares will be issuable upon the exercise of any Warrants. Holders of Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Shares would have.

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give public notice of certain stated events at least 14 days prior to the record date or effective date, as the case may be, of such event.

The rights of the holders of Warrants will be subject to modification by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either passed at a meeting of the holders of Warrants by holders of not less than 66 2/3% of the Warrants represented at the meeting or adopted by instruments in writing signed by the holders of not less than 66 2/3% of all Warrants then outstanding.

The Warrants may not be exercised in the United States or by or on behalf of, or for the account or benefit of, a "U.S. person" (as such term is defined in Regulation S under the U.S. Securities Act) or a person in the United States (as such term is defined in Regulation S under the U.S. Securities Act), nor may any Warrant Shares be issued upon such exercise, unless exemptions from the registration requirements of the U.S. Securities Act and all applicable U.S. state securities laws are available, and the holder of such Warrants has

provided the Company with a written opinion of counsel or other evidence, in either case reasonably satisfactory to the Company, to such effect.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Agent has agreed to offer on a commercially reasonable efforts basis on behalf of the Company, a minimum of 7,500,000 Units and a maximum of 10,000,000 Units offered hereby subject to the terms and conditions contained therein, at a price of \$0.20 per Unit. In consideration for their services in connection with the Offering, the Company has agreed to pay to the Agent an aggregate fee of 7% of the gross proceeds raised from the sale of the Units offered hereby. In addition to the Agent's fee, the Agent will receive Compensation Options entitling it to purchase that number of Compensation Units as is equal to 7% of the aggregate number of Units sold pursuant to the Offering at a price of \$0.20 per Compensation Unit. Each Compensation Unit consists of one Compensation Share and one-half of one Compensation Warrant. Each Compensation Warrant is exercisable to purchase one Compensation Warrant Share at \$0.30 for a period of 24 months following the Closing. This Prospectus also qualifies the distribution of the Compensation Options and all securities issuable upon the exercise thereof (including the Compensation Units, Compensation Shares, Compensation Warrants and Compensation Warrant Shares).

The Company will also pay the remainder owing on the Corporate Finance Fee and the Agent's expenses, including legal fees and disbursements. The Offering Price of the Units has been determined by negotiation between the Company and the Agent.

The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. While the Agent has agreed to use its commercially reasonable efforts to sell the Units offered hereby, the Agent will not be obligated to purchase any Units not sold. Subscriptions will be received for the Units offered hereby subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Upon rejection of a subscription, the subscription price and the subscription will be returned to the subscriber forthwith without interest thereon or deduction therefrom.

The Offering will not continue for a period of more than 90 days after the date of the receipt for the final prospectus if subscriptions representing the Minimum Offering are not obtained within that period, unless each of the persons or companies who subscribed within that period has consented to the continuation of the Offering. During the 90 day period, all subscription funds received by the Agent will be held by the Agent pursuant to the provisions of the Agency Agreement. If the Minimum Offering is not completed, the Agent will return any funds received from subscribers without interest thereon or deduction therefrom.

The Company has applied to list the Shares comprised in the Units and underlying the Warrants, the Compensation Units and the Compensation Warrants distributed under this prospectus on the TSXV. Listing will be subject to the Company fulfilling the listing and admission requirements of the TSXV.

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

Except for Units issued to U.S. Persons or persons in the United States, which shall be issued in certificate form, or as otherwise required by law or in accordance with certain regulatory requirements, it is anticipated that the Units will be issued under the book-based system. At the Closing, certificates representing all the

Units issued to persons outside of the United States will be issued in registered form to the applicable participants (the "**CDS Participants**") in The Canadian Depository for Securities Limited ("**CDS**") depository service, which includes securities brokers and dealers, banks and trust companies. It is anticipated that such CDS Participants will deposit such certificates with CDS in connection with the book-based system and global certificates representing Units will be issued in the name of CDS or its nominee for the Shares and Warrants held through the book-based system. Subscribers outside of the United States will therefore not be entitled to a certificate or other instrument from the Company or the Company's transfer agent evidencing that person's interest in or ownership of Shares or Warrants, nor, to the extent applicable, will such holder be shown on the records maintained by CDS, except through an agent who is a CDS Participant. However, subscribers participating in the book-based system may, through the applicable CDS Participant, request that such Shares and Warrants be issued to such holder as soon as reasonably practicable.

Neither the Units nor the underlying Shares and Warrants have been or will be registered under the U.S. Securities Act or under any state securities laws and such securities may not be offered or sold in the United States or to U.S. Persons except in compliance with exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Agency Agreement permits the Agent to offer and sell Units on behalf of the Company, in accordance with applicable law, to institutional "accredited investors" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act, in transactions that comply with the requirements of the exemption from registration provided by Rule 506(b) of Regulation D and in compliance with applicable state securities laws. The Units will also be offered and sold outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

The Units sold in the United States or to or for the account or benefit of persons in the United States or to U.S. Persons, as well as the underlying Shares and Warrants of such Units will be "restricted securities" within the meaning of Rule 144(a)(3) of the U.S. Securities Act. Certificates representing the Units (and underlying Shares and Warrants) that are offered, sold or issued in the United States or to U.S. Persons will bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or any applicable state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws.

In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units or the underlying Shares and Warrants within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from such registration requirements.

The Units sold in the United Kingdom or to or for the account or benefit of persons in the United Kingdom, as well as the underlying Shares and Warrants, will only be offered to persons who are "qualified investors", within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC), or who fall within Article 19(5), Article 48 or Article 49 (a) to (d) of the Financial Promotion Order or any other person who does not breach sections 21 or 85 of FSMA. Accordingly, by participating in the Offering, investors resident in the United Kingdom warrant, represent, acknowledge and agree that they are qualified investors who are either (a) an investment professional to whom Article 19(5) of the Financial Promotion Order applies, (b) a certified high net worth individual to whom Article 48 of the Financial Promotion Order, (c) a high net worth company or other person to whom Article 49(2) of the Financial Promotion Order applies or (d) any other person permitted by law in the United Kingdom to participate in the Offering, and acknowledge that the Units shall only be available to such persons and any other person should not act on this prospectus.

By participating in the Offering, investors resident in the United Kingdom irrevocably represent, warrant, undertake, acknowledge and agree with and to the Company, in each case as a fundamental term of their

application for the Units, as well as the underlying Shares and Warrants, and of the Company's obligation to allot or issue the Units, as well as the underlying Shares and Warrants, that they:

1. have not offered or sold and will not offer or sell any of the Units or underlying Shares or Warrants to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of section 102B of FSMA;
2. are acting as principal and for no other person and that their acceptance of the Units or underlying Shares or Warrants will not (save as set out herein) give a contractual right to require the issue by the Company of any Shares;
3. are not, nor are they acting on behalf of, a person falling within subsections (6), (7) or (8) of sections 67 or 70 respectively or subsections (2) and (3) of section 93 or subsection (1) of section 96 of the Finance Act 1986;
4. are aware of, have complied with and will continue to comply with any obligations we have under the Money Laundering Rules of the Financial Conduct Authority, the Criminal Justice Act 1993, FSMA, the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001 and the Proceeds of Crime Act 2002 to the extent applicable to us and in respect of our Subscription: (i) we have complied fully with our obligations pursuant to the Money Laundering Regulations 2007; and (ii) we will provide the Company on demand with any information it may require for the purposes of verification under the Money Laundering Regulations 2007;
5. will not make any offer to the public of those Units or underlying Shares or Warrants to be subscribed by them for the purposes of the Prospectus Rules issued by the Financial Conduct Authority with effect from 1 July 2005 pursuant to Commission Regulation (EC) No. 809/2004; and
6. will not distribute any document relating to the Units or underlying Warrants or Shares and they will be acquiring the Units or underlying Warrants or Shares for their own account as principal or for a discretionary account or accounts (as to which they have the authority to give the statements set out herein) for investment purposes only.

PROMOTERS

Each of Brad Peters, and Rory Ritchie took the initiative in founding the Company and, accordingly, may be considered promoters of the Company within the meaning of applicable securities legislation in British Columbia.

Mr. Peters beneficially owns or controls, directly or indirectly, an aggregate of 892,500 Shares and has been granted incentive stock options to purchase 100,000 Shares at an exercise price of \$0.20 per Share until May 27, 2020 and incentive stock options to purchase 200,000 Shares at an exercise price of \$0.20 per Share until June 23, 2022, pursuant to the Company's stock option plan.

Mr. Ritchie beneficially owns or controls, directly or indirectly, an aggregate of 942,500 Shares and has been granted incentive stock options to purchase 100,000 Shares at an exercise price of \$0.20 per Share until May 27, 2020 and incentive stock options to purchase 200,000 Shares at an exercise price of \$0.20 per Share until June 23, 2022, pursuant to the Company's stock option plan.

See "*Options to Purchase Securities*"; "*Directors and Executive Officers*"; "*Executive Compensation*" and "*Interests of Management and Others in Material Transactions*" for disclosure regarding the Company's promoters.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings outstanding, threatened or pending as of the date of this Prospectus by or against the Company or to which it is a party or its business or any of its assets is the subject of, nor to the knowledge of the directors and officers of the Company are any such legal proceedings contemplated which could become material to a purchaser of the Company's securities.

Regulatory Actions

There have not been any penalties or sanctions imposed against the Company by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below and elsewhere in this Prospectus, no director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the preceding three years or in any proposed transaction that has materially affected or will materially affect the Company.

See "*Description of the Business*", "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*", "*Principal Shareholders*", "*Directors and Executive Officers*", "*Executive Compensation*" and "*Material Contracts*".

AUDITORS, TRANSFER AGENT AND REGISTRARS

The auditor of the Company is Davidson & Company LLP of Vancouver, British Columbia. Davidson & Company LLP is independent of the Company within the meaning of the Code of Professional Conduct of Chartered Professional Accountants of British Columbia. Davidson & Company LLP was first appointed as auditor of the Company on April 3, 2017.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia.

MATERIAL CONTRACTS

Other than contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company since its incorporation:

1. the Agency Agreement;
2. the Wildcat Option Agreement;
3. the Escrow Agreement; and
4. the Warrant Indenture.

Copies of the material contracts will be available under the Company's profile at www.sedar.com upon the issuance of the final receipt for this Prospectus. Particulars regarding the material contracts are disclosed elsewhere in this Prospectus (see "*Plan of Distribution*"; "*General Development of the Business – Significant Acquisitions – Wildcat Project*"; "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*"; and "*The Offering – Warrants*").

EXPERTS

The following persons are named as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

1. Kristian Whitehead, P. Geo., an independent consulting geologist and "qualified person" as defined in NI 43-101 is the author responsible for the preparation of the Wildcat Report;
2. Rory Ritchie, P. Geo., Vice-President, Exploration of the Company and a "qualified person" as defined in NI 43-101, is responsible for certain information of a scientific or technical nature relating to the Company's mineral properties in this Prospectus and the MD&A;
3. The information in this Prospectus under the heading "Eligibility for Investment" has been included in reliance upon the opinion of Thorsteinssons LLP; and
4. The audited financial statements of the Company included with this Prospectus have been subject to audit by Davidson & Company LLP and their audit report is included herein.

Based on information provided by the relevant persons in 1, 3 and 4 above, none of such persons or companies have received or will receive direct or indirect interests in the property of the Company or have any beneficial ownership, direct or indirect, of securities of the Company.

Rory Ritchie, P. Geo is an executive officer of the Company. Mr. Ritchie's direct and indirect beneficial interests in the securities or other property of the Company are disclosed under "*Directors and Executive Officers – Name Occupation and Security Holdings*" and "*Executive Compensation*".

FINANCIAL STATEMENT DISCLOSURE

The Financial Statements and MD&A are included as Schedule "B" and Schedule "C", respectively, to this Prospectus. See also "*Management's Discussion and Analysis*".

RIGHTS OF WITHDRAWAL AND RESCISSION

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

In an offering of Units, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the Unit is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

SCHEDULE "A"

DISCLOSURE REGARDING THE WILDCAT PROJECT

Wildcat Report

Information of a scientific or technical nature in respect of the Wildcat Property in this Schedule "A" is derived from portions of the independent NI 43-101 technical report dated June 12, 2017 entitled "43-101 Technical Report on the Wildcat Property" prepared by Kristian Whitehead, B.Sc., P.Geo. (the "Wildcat Report").

For readers to fully understand the technical information in this Prospectus, they should read the Wildcat Report (available on SEDAR at www.sedar.com under the Company's profile) in its entirety, including all qualifications, assumptions and exclusions that relate to the technical information set out in this Prospectus. The Wildcat Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The technical information in the Wildcat Report is subject to the assumptions and qualifications contained in the report.

Property Description, Location and Access

The Wildcat Property consists of 10 mineral claims covering an area of approximately 5,826 hectares in the Omineca Mining Division of British Columbia, the details of which are set out in the following table:

Claim Name	Owner ⁽¹⁾	Expiry Date	Area (ha)
[three unnamed claims]	Haslinger (100%)	2021-Dec-20	2,336.59
Wildcat 4	Haslinger (100%)	2020-May-01	445.36
Wildcat 5	Haslinger (100%)	2021-Dec-20	445.36
Wildcat 7, 8, 10 & 16	Haslinger (100%)	2020-May-01	1,707.28
Wildcat 17	Haslinger (100%)	2020-May-01	891.06
		Total	5,825.64

⁽¹⁾ Pursuant to the mineral titles online registry maintained by the British Columbia Ministry of Energy, Mines and Petroleum Resources.

On February 27, 2017, the Company entered into an agreement with Richard Josef Haslinger Jr. for the option to earn a 100% interest in the Wildcat Property by incurring certain expenditures and completing share issuances over a 4 year period. Exploration commitments consist of a minimum of 10 line-km of IP, in addition to the completion of 1 (one) drill hole, either RC or diamond. The Company must complete the issuance of 2,000,000 shares to Richard Josef Haslinger Jr. over a period of four years.

The Property is subject to underlying royalties at this time, whereby Richard Haslinger will retain a 2% Net Smelter Return, one half (1%) of which can be purchased by the Company based on a sliding scale determined by the following formula: CAD purchase price = 0.0007 x CAD gold price x gold ounce-equivalent in a mineral resource estimate prepared in accordance with NI 43-101.

Detailed terms of the Wildcat Option Agreement are shown in the following table:

Date	Share Payments	Exploration Commitments
On the Effective Date ⁽¹⁾	NIL	-
On or before the first anniversary of the Effective Date	200,000	Minimum of 10 line-km of IP ⁽²⁾
On or before the second anniversary of the Effective Date	400,000	Minimum of 1 drill hole (RC or diamond)
On or before the third anniversary of the Effective Date	600,000	-
On or before the fourth anniversary of the Effective Date	800,000	-
Total	2,000,000	

(1) Pursuant to the Wildcat Report and Mineral Titles Online.

(2) Year 1 work requirements have been satisfied.

The property is located approximately 150 km northwest of Prince George and 10 km to the southwest of the producing Mt. Milligan Copper-Gold Mine of Centerra Gold Inc. as shown in the following map.

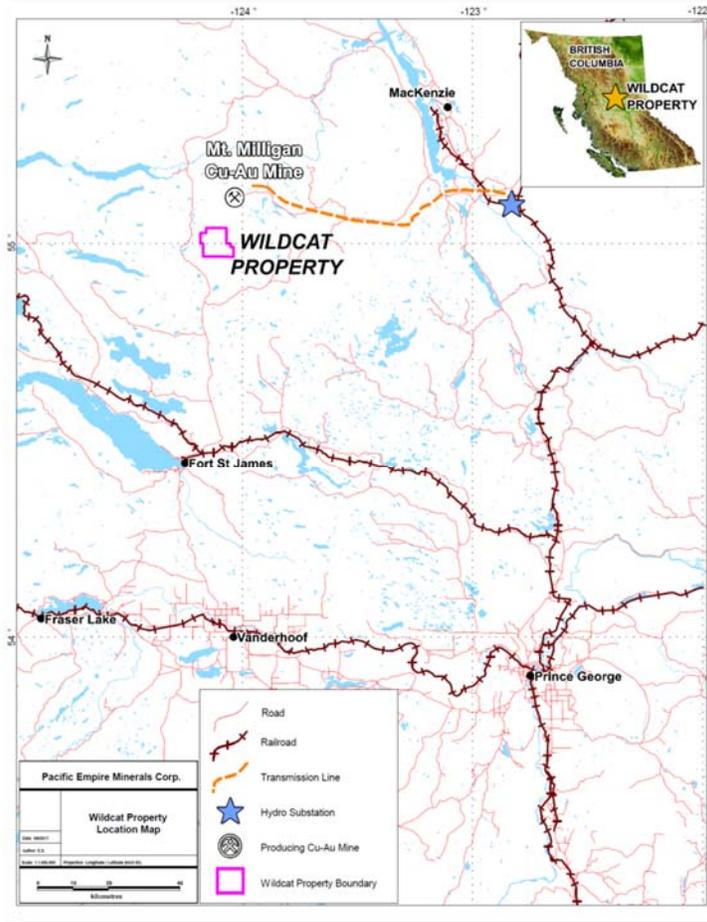


Figure 1-Wildcat Property Location Map

The project area is accessible via well maintained logging roads from Fort St. James, British Columbia. Travel north on Highway 27 out of Fort St. James for roughly 9 km, and continue northeast on to the Germansen North Road. At about the 56 km point of the Germansen North Road, turn right (east) onto the Rainbow FSR, and proceed for 10 km to the approximate center of the property. A network of old and recent logging roads and trails are found throughout the claims and provide reasonable access to most parts of the property.

History

The property has been the focus of numerous exploration programs by other parties, including geochemical, geophysical and diamond drilling programs that have identified numerous targets for further exploration.

The exploration history of the Wildcat Property dates back to late 1980's when the region became a target for bulk tonnage copper-gold porphyry type mineralization after the discovery of the Mt. Milligan deposits roughly 10 km to the northeast of the Property. The exploration history of the property is summarized in the following table.

Year	Operator	Report	Activity
1989	HLX Resources	Grunenberg, 1989	17 line-km ground magnetics
1990	Continental Gold Corp.	Sivertz, 1990	Airborne Mag, VLF-EM
1991	Geological Survey of Canada	Shives et al., 2000	Airborne geophysical surveys
1994	Robin Day & Larry Hewitt	Day, 1994	Soil/till sampling, prospecting
1995	Robin Day & Larry Hewitt	Day, 1995	Soil/till sampling, prospecting
1996	Robin Day & Larry Hewitt	Day, 1996	Grid soil/till sampling
2004	H.R.S. Resources Ltd.	Haslinger, 2004	Ground magnetic survey
2006	Yankee Hat Industries Corp.	Wells, 2005	Grid soil sampling, prospecting
2007	Terrane Metals Corp.	O'Brien, 2007	Geotechnical drilling
2008	Terrane Metals Corp.	Lustig & Duba, 2008	Diamond drilling (1,040 m, 4 holes)
2010	Cayden Resources Inc.	Lustig & Duba, 2010	43-101 Technical Report
2011	Cayden Resources Inc.	Duba, 2011	Helicopter-borne ZTEM survey
2011	Cayden Resources Inc.	Duba, 2012	Diamond drilling (1,302 m, 6 holes)

In the area of the Wildcat property, an aeromagnetic anomaly (high) south of Rainbow Creek was staked as the Bow claim group by HLX Resources Ltd in 1989. A 17 line-kilometre ground magnetic survey defined the eastern flank of the anomaly.

Continental Gold Corp. staked the Bee and Bonanza claims covering the same area in 1990. These were subject to an airborne (helicopter) magnetometer and VLF-EM survey. This survey indicated at least two areas for further geological investigation.

In 1991, the Geological Survey of Canada conducted a high-resolution airborne gamma ray spectrometric and aeromagnetic survey over the Mt. Milligan area. The Wildcat property area was also covered by this airborne survey. A strong northwest trending magnetic (high) anomaly was indicated on the Wildcat 1 and 2 claims south of Rainbow Creek.

In 1994 and 1995, prospectors R. Day and L. Hewitt conducted a preliminary prospecting and soil sampling program on the Rooster claims along the northern edge of the aeromagnetic high. The soil program outlined a copper anomaly 400 m long, which was open to the southwest and eight additional claims were staked in this area following initial geochemical survey results. In 1996, an expanded grid and soil program defined a copper-in-till anomaly approximately 1500 m long by 100 to 400 m wide.

The property was staked as the Wildcat 1 to 4 mineral claims by Richard Haslinger of H.R.S. Resources in 2003. A reconnaissance ground magnetic survey was conducted to further define the airborne magnetic high anomaly underlying the Property.

In 2004, the property was optioned to Yankee Hat Industries Corp who conducted grid soil sampling and prospecting surveys. Results of soil sampling confirmed the earlier soil/till copper anomaly and located several isolated gold and copper anomalies to the northwest. Anomalous copper, silver, gold and palladium values were returned from prospecting near the core of the magnetic high. Further work was recommended but the option was dropped.

In 2006, Terrane Metals Corp. optioned the Wildcat Property to investigate the mineral potential of the property as well as the possibility of using part of the property as tailings storage for the proposed Mt. Milligan mine. Terrane Metals' drilling program in 2007 targeted a copper in soil/till anomaly coincident with an IP chargeability high anomaly, and a northwest trending "bulls eye" magnetic high. Drilling results indicated anomalous copper and, in part, elevated gold, silver and molybdenum concentrations in monzonite and hornblende monzonite/diorite porphyry. The most significant intersections are 259 ppm copper and 16 ppb gold over 290 m and 188 ppm copper and 11 ppb gold over 239 m.

In 2010, the Wildcat Property was optioned from H.R.S. Resources by Cayden Resources Inc. In the same year the company completed a 322.2 line-km helicopter-borne ZTEM and aeromagnetic surveys. Analysis of geophysical data indicated numerous high resistivity anomalies from the electromagnetic component of the survey and confirmed the "bulls eye" high magnetic anomaly from previous geophysical surveys. Cayden Resources completed a diamond drill program in 2011 consisting of 6 drill holes totaling 1,302 metres. Significant, yet uneconomic, intervals of copper were encountered in the two most northerly drill holes, WC11-07 and WC11-08. Cayden Resources dropped the Wildcat Option in September of 2013.

Drilling in 2011 by Cayden Resources Inc. encountered hydrothermal alteration assemblages typical of those found distal to a copper \pm gold porphyry system, locally associated with anomalous copper intervals. Drill hole WC11-08 intersected 26.1 metres grading 0.14% copper while WC11-07 intersected 0.7 metres grading 1.34% copper and 0.626 g/t gold.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Property lies within the Quesnel Terrane, part of the Intermontane Belt, a composite of low metamorphic grade magmatic arc segments of mixed oceanic and continental affinities, and oceanic plates, which amalgamated to the North American continental margin in the Early Jurassic Period.

The Quesnel Terrane formed along or near the western North American continental margin and accreted to the margin in the late Early Jurassic (186-181 Ma). Quesnellia is found along most of the length of the Canadian Cordillera and in the Nation Lakes area is characterized by Late Triassic to Early Jurassic volcanic and sedimentary rocks of island arc affinity.

Intrusive units of a wide variety of sizes, ages, compositions and textures occur in the region. The largest bodies are the Hogem and Germansen batholiths. The Hogem Intrusive Suite is composed of many discrete plutons including mafic to syenitic Late Triassic to Early Jurassic intrusions, as well as mid-Cretaceous granites. A myriad of small intrusions and some larger ones are equivalent to the Early Jurassic volcanic units and to the late stages of Takla Group volcanism. Significant porphyry copper-gold deposits in the area are associated with "crowded porphyries". In a typical crowded porphyritic monzonite, small blocky plagioclase phenocrysts (1-2 mm), with lesser hornblende, biotite and/or augite touch each other in a fine-grained matrix of plagioclase, potassium feldspar, mafic and oxide minerals.

In the Mt. Milligan area, the Takla Group is informally subdivided into a lower, predominantly volcanoclastic Inzana Lake Succession and an upper, predominantly pyroclastic Witch Lake Succession. The Witch Lake Succession, the host of the Mt. Milligan deposits, is characterized by augite-phyric pyroclastic rocks and coherent basalt to andesite, subordinate epiclastic beds and co-magmatic Takla Group and post-Takla Group intrusions. Coeval intrusions comprise most of the Mt. Milligan intrusive complex consisting of monzonite with minor diorite and monzodiorite.

Local Geology

There has been no systematic geological mapping of the Wildcat property other than the 1:50,000 scale regional mapping by the BC Geological Survey.

The Wildcat Property has very sparse outcrop with much of the Property covered by till and glaciofluvial gravels (1 to > 10 m thick). Recent clear-cut logging activity has opened up new road-cuts and exposed more bedrock in some parts of the Wildcat Property.

The Wildcat Property is primarily underlain by variably altered, augite porphyritic, intermediate to mafic volcanic and pyroclastic rocks and monzonite to diorite intrusives correlated with the Late Triassic-Early Jurassic Takla Group. Fine clastic sediments typically consisting of siltstone and lesser mudstone, underlie the northern and northwestern portions of the property.

All volcanic rocks are weakly to locally strongly magnetic with magnetite contents up to 5% to 12% as coarse blebs, disseminations and lesser, fine grained fracture fillings that have associated \pm calcite-epidote-pyrite-chalcopyrite. Pyrite is commonly present as fine disseminations, blebs and narrow veinlets, trace to 2%, averaging 1%.

Alteration is moderate to strong, imparting a patchy and mottled texture to the rock. It is dominated by pervasive and lesser fracture-controlled propylitization occurring as replacement of augite phenocrysts and mafic groundmass by chlorite-actinolite > epidote-carbonate (calcite \pm albite(?) \pm pyrite). Potassic alteration is generally very weak and when present, it is in form of fine grained biotite after augite phenocrysts and mafic matrix components. Silicification is also weak, occurring mostly as discrete, narrow, < 0.5-1 cm wide, quartz \pm calcite \pm pyrite veinlets.

Intrusive rocks are generally weakly to lesser moderately potassically altered with weak overprinting propylitization. Potassic alteration is in the form of fine grained biotite replacement of mafic phenocrysts (minor plagioclase?) and matrix. Propylitization is typically weak and intermittent comprising of chlorite-carbonate (calcite)-epidote-albite(?)-pyrite assemblage and is found predominantly as fracture-controlled replacement. Silicification is weak and occurs as narrow (< 0.5 to 1cm) veinlets of quartz \pm calcite \pm pyrite and as rare, pervasive silicification.

Pyrite occurs as fine-grained disseminations, blebs and lesser fracture filling (< 0.1 to 2.5%, averaging 1.5%). Associated with pyrite is disseminated and blebby pyrrhotite (trace to 0.5%). Sporadic and limited chalcopyrite mineralization occurs as disseminations, blebs and locally as pyrite-chalcopyrite vein fill, all of which are generally associated with propylitic alteration assemblages.

Several fault-lineaments are apparent on the Wildcat Property. These are interpreted structures trending northwest (monzonite porphyry-volcanic contact) and northeast (Rainbow Creek) with unknown dips. The drill logs indicate a rare brittle deformation along intrusive contacts.

Regional Mineralization

The Mount Milligan Copper-Gold Mine is operated by Centerra Gold Inc. and is located approximately 10 km to the northeast of the Wildcat Property. Production of copper-gold concentrate commenced in September 2013, followed by the first truckload of concentrate to Mackenzie on September 24, 2013. Accumulated copper-gold concentrate is shipped via rail to the port of Vancouver. The Mt. Milligan Mine is a conventional truck and shovel open-pit mine designed to process 60,000 tonnes per day of copper bearing ore. Average annual production over the 22-year mine life is estimated to be 81 million pounds of copper and 194,500 ounces of gold.

The Mt. Milligan deposits are centered on two principal intrusive bodies, the MBX and Southern Star stocks. Within the stocks, monzonite varies texturally and compositionally.

Property Mineralization

In part, due to the till covered nature of the Property, mineralization encountered to date on the Property is limited to copper mineralization encountered in historical drilling. The most significant copper \pm gold \pm silver mineralization was encountered during the 2011 Cayden Resources drilling campaign. Significant intervals from this program include:

- DDH # WC11-07, 213.8 m to 214.52 m (0.72 m) @ 1.34% Cu, 0.626 g/t Au, 16.2 g/t Ag;
- DDH # WC11-08, 155.45 to 181.60 m (26.15 m) @ 0.14% Cu, 0.034 g/t Au, 0.74 g/t Ag;
 - incl. 170.95 m to 181.60 m (10.65 m) @ 0.21% Cu, 0.062 g/t Au, 1.1 g/t Ag.

The aforementioned mineralized intercept from WC11-07 was associated with a roughly 0.5 cm quartz-pyrite-chalcopyrite shear hosted vein with strong epidote selvages, in what is otherwise propylitically altered diorite. The mineralized interval from WC11-08 consists of chalcopyrite and pyrite blebs and disseminations in a propylitically altered diorite, with sporadic quartz-calcite-pyrite \pm chalcopyrite veins and localized strong chlorite alteration. The interval from WC11-08 includes a moderate to strongly sheared and chlorite altered mafic dike that contains significant pyrite and lesser chalcopyrite.

Deposit Types – Porphyry Copper-Gold Deposits

Porphyry deposits are large, low- to medium-grade deposits in which primary ore minerals are dominantly structurally controlled and which are spatially and genetically related to felsic to intermediate porphyritic intrusions. Their formation is related to magma emplacement at relatively high levels in the crust, where the circulation of hydrothermal fluids facilitates scavenging, mobilizing and deposition of metals.

Porphyry copper systems are defined as large volumes of hydrothermally altered rock centered on porphyry copper stocks that may also contain skarn, carbonate-replacement, sediment-hosted, and high- and intermediate-sulphidation epithermal base and precious metal mineralization.

The metal content of this class of deposits is diverse, but within the scope of this report can be narrowed down to those grouped as Copper \pm Molybdenum \pm Gold (Cu \pm Mo \pm Au).

Porphyry copper deposits account for approximately two-thirds of global copper production and more than 95% of world molybdenum production. Porphyry deposits are also major sources of gold, silver, and tin; significant by-products include Re, W, Pd, Pt, Te and Se.

Porphyry deposits occur throughout the world in a series of extensive, relatively narrow, linear metallogenic provinces. They are predominantly associated with Mesozoic to Cenozoic orogenic belts in western North and South America, around the western margin of the Pacific Basin, and in the Tethyan orogenic belt in eastern Europe and southern Asia. However, major deposits also occur within Paleozoic orogens in Central Asia and eastern North America and, to a lesser extent, within Precambrian terranes.

Late Triassic to Early Jurassic Cu-Au and Cu-Mo porphyry deposits of the Stikine and Quesnel terranes are collectively the most important group of deposits in British Columbia. They include such long-time producers as Highland Valley, Gibraltar, Copper Mountain, Brenda, and Afton; projects such as Mt. Milligan, Red Chris, Schaft Creek, Brucejack, and Kerr-Sulphurets-Mitchell (KSM) are also moving towards production or have recently become producing mines. Host intrusions range from 210 Ma (Galore, Highland Valley) to 183 Ma (Mt. Milligan). The abundance of porphyry and other deposits marks Stikinia and Quesnelia as remarkably rich metallogenic belts.

Porphyry deposits are large and range in size from tens of millions to billions of tonnes. In typical porphyry Cu \pm Mo \pm Au deposits, grades range from 0.2 to 1.0% Cu, <0.01 to 0.05% Mo, and <0.01 to 1.0 g/t Au. Some porphyry deposits exhibit exceptional size along with grade such as the Grasberg deposit in Indonesia, with a resource greater than 2.5 billion tonnes grading 1.1% Cu and 1.04 g/t Au.

Porphyry Cu systems are generated mainly in magmatic arc environments subjected to broadly contractional settings, marked by crustal thickening, surface uplift and rapid exhumation. Porphyry Cu deposits are typically located in volcanic or sub-volcanic environments in subduction-related, continental and island-arc settings.

Porphyry deposits occur in close association with porphyritic epizonal and mesozonal intrusions. There is a close temporal relationship between magmatic activity and hydrothermal mineralization. Commonly located in volcanic or sub-volcanic environments, host rocks typically include volcanics, intrusives (which may or may not be coeval with country rock) and volcano-sedimentary, epiclastic and pyroclastic rocks.

The composition of intrusions associated with porphyry deposits varies widely and appears to exert a fundamental control on the metal content of the deposits. Intrusive rocks associated with porphyry Cu-Au and porphyry Au deposits tend to be low-silica, relatively mafic and primitive in composition, ranging from calc-alkaline dioritic and granodioritic plutons to alkalic monzonitic rocks. Porphyry Cu and Cu-Mo deposits are associated with intermediate to felsic, calc-alkaline intrusive rocks ranging from granodiorite to granite in composition.

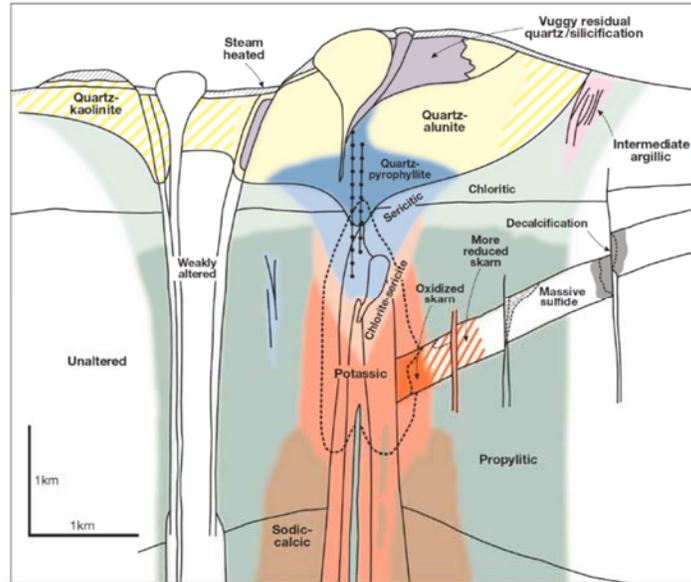


Figure 2-Generalized Porphyry Deposit Model

Hydrothermal alteration is extensive and typically zoned on a deposit scale as well as around individual veins and fractures. Alteration zones on a deposit scale commonly consist of an inner potassic \pm sodic core characterized by K-feldspar and/or biotite (\pm amphibole \pm magnetite \pm anhydrite), and an outer, more extensive zone of propylitic alteration that consists of quartz, chlorite, epidote, calcite and, locally, albite associated with pyrite. Zones of phyllic (quartz + sericite + pyrite) and argillic alteration (quartz + illite + pyrite \pm kaolinite \pm montmorillonite \pm calcite) may be part of the zonal pattern between the potassic and propylitic zones, or can be irregular or tabular, younger zones superimposed on older alteration and sulphide assemblages.

Alteration mineralogy is controlled in part by the composition of the host rocks, and by the composition of the mineralizing system. In mafic host rocks with significant iron and magnesium, biotite is the dominant alteration mineral in the potassic alteration zone, whereas K-feldspar dominates in more felsic rocks. In more oxidized environments, minerals such as pyrite, magnetite (\pm hematite), and anhydrite are common, whereas pyrrhotite is present in more reduced environments.

Prior Exploration by the Company

Following the signing of an option agreement whereby PEMC can earn a 100% interest in the Wildcat Property, PEMC completed an IP survey consisting of four lines totaling 15.2 line-km. This survey was successful in identifying a large area of anomalous chargeability in the northern portion of the property. This was followed up with an additional IP survey consisting of three 4.2 km lines, to further delineate the zone of anomalous chargeability. Results from these surveys, which totaled 27.8 line-km, are presented in Figures 4 and 5.

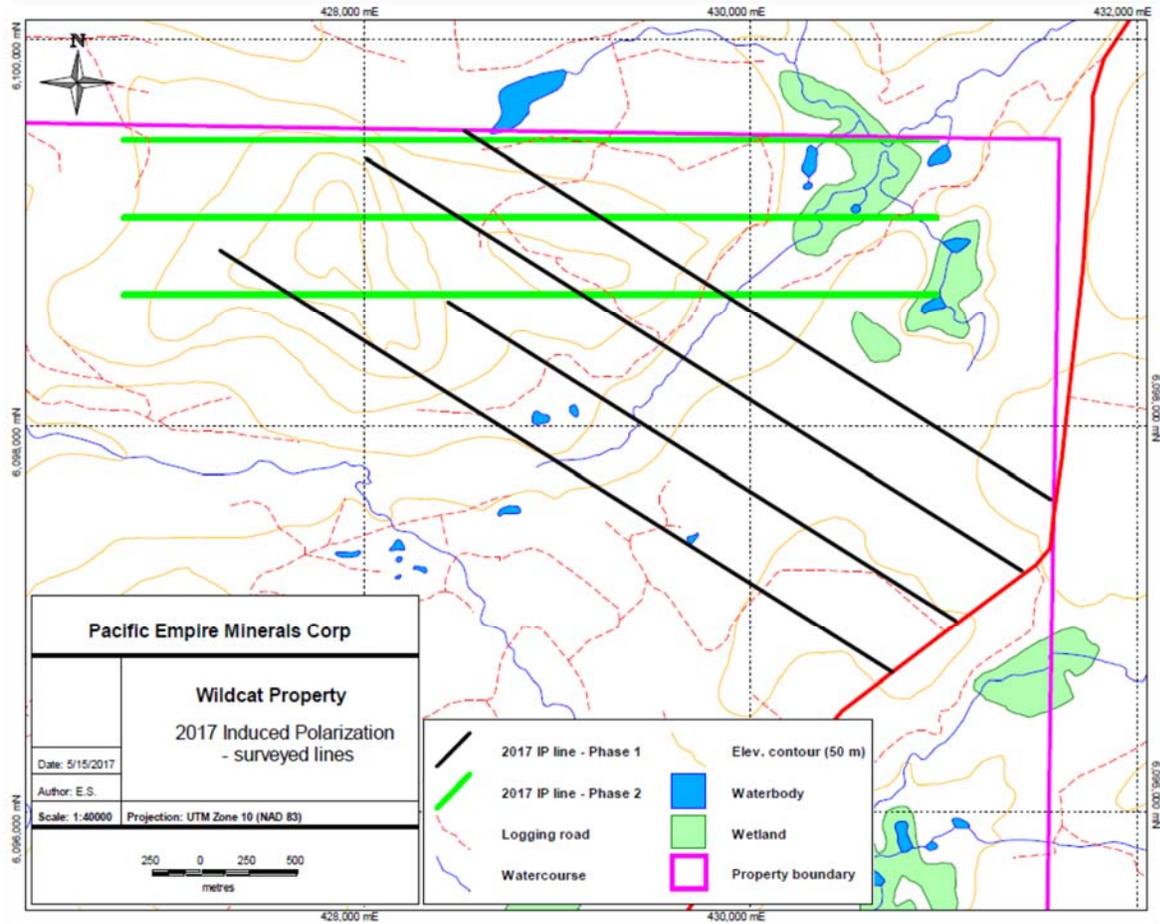


Figure 3-2017 Induced Polarization Surveys

The large, heterogeneous anomalous IP chargeability suggest the presence of sulphides and/or the presence of clay rich or graphitic horizons in the area. The coincidence of high resistivity values with large portions of high chargeability anomaly suggest that the IP response is not likely, at least not entirely, resultant from clay or graphite rich lithologies. The fact that there is no direct correlation between chargeability high values and magnetic high values, suggests that the IP chargeability response is not likely, at least not entirely, resultant from high disseminated magnetite concentrations in the underlying rock. The area of anomalous chargeability, coincident with variable magnetic and resistivity responses, seems to suggest that the presence of a hydrothermal sulphide-bearing system is possible.

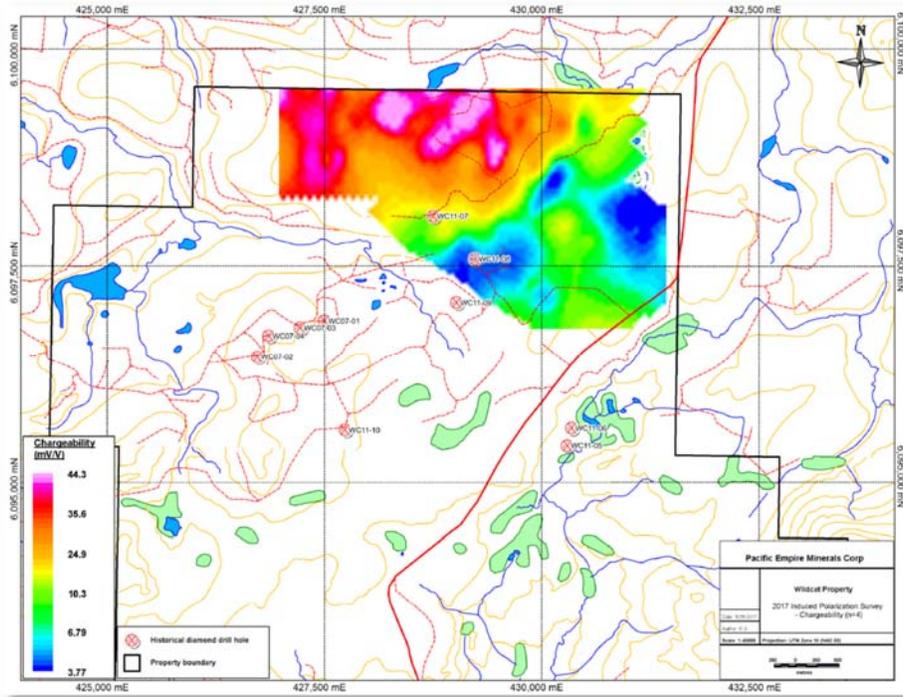


Figure 4-2017 IP Survey (Chargeability)

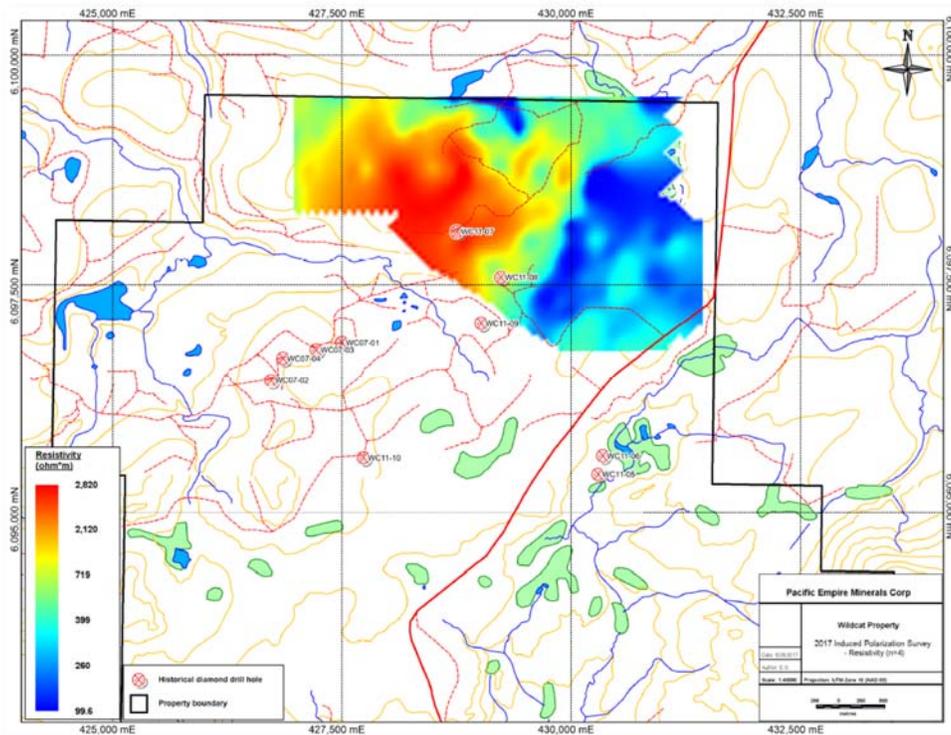


Figure 5-2017 IP Survey (Resistivity)

Drilling

The Company has not completed any drilling on the Wildcat Property as of the date of this Report. Exploratory drilling completed on the Property to date was completed by Terrane Metals Corp. in 2007 and Cayden Resources Inc. in 2011. A total of 10 diamond drill holes have been completed on the Property; 4 drill holes were completed by Terrane Metals Corp., and 6 drill holes were completed by Cayden Resources Inc. Significant historical drill intercepts are outlined in the following table. A map showing drill collar locations on the Wildcat Property is shown in Figure 6.

Hole ID	Operator	Year	From (m)	To (m)	Interval (m)	Copper (ppm)	Gold (g/t)	Silver (g/t)
WC07-02	Terrane Metals	2007	205	209	4	1,668	0.394	2.2
WC07-03	Terrane Metals	2007	89	91	2	6,220	0.055	NA
WC11-07	Cayden Resources	2011	139.5	141	1.5	1,800	0.227	1.9
WC11-07	Cayden Resources	2011	213.8	214.52	0.72	13,400	0.626	16.2
WC11-08	Cayden Resources	2011	82	84.5	2.5	1,870	0.214	1.7
WC11-08	Cayden Resources	2011	118.7	121.7	3	1,930	0.24	1.9
WC11-08	Cayden Resources	2011	143.8	145.8	2	1,085	0.02	0.7
WC11-08	Cayden Resources	2011	155.45	181.6	26.15	1,416	0.034	0.74
<i>including</i>			170.95	181.6	10.65	2,097	0.062	1.09

Terrane Metals – 2007 drilling

During 2007, a total of 1,039.95 m of diamond drilling in four HQ holes (WC07-01 to WC07-04) was completed targeting a copper in soil/till anomaly coincident with moderately high IP chargeability signature and adjacent to a prominent 'bulls eye' magnetic (high). The drilling was designed to test these anomalies for copper-gold mineralization associated with strongly magnetic alkalic porphyry systems, similar to the nearby Mt. Milligan deposits.

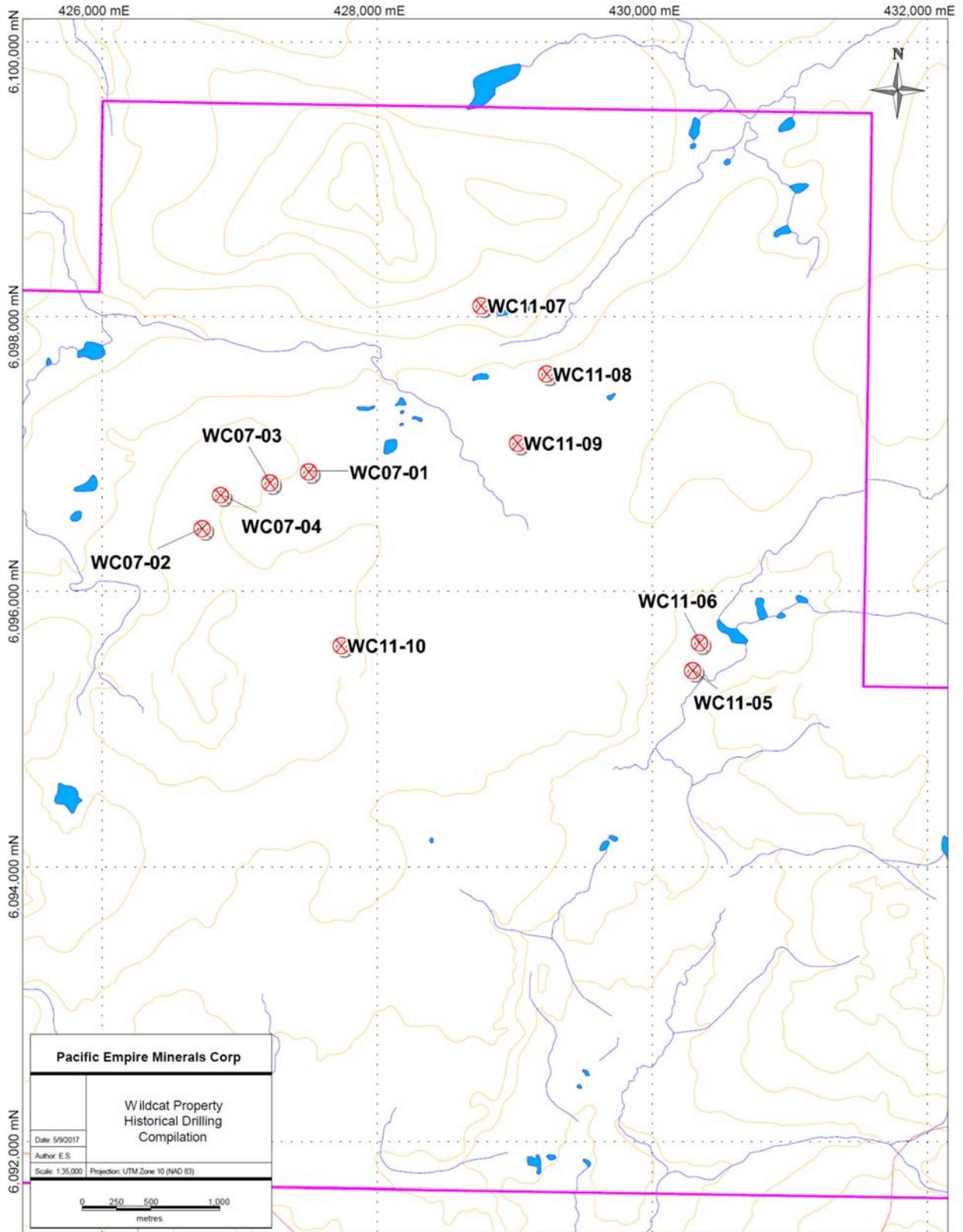


Figure 6-Drill collar locations for historical drilling

The most significantly anomalous copper values were intersected in WC07-02 and 07-04 averaging of 241 ppm Cu (14 ppb Au) over 291 metres (7-297.97 m) and 189 ppm Cu (11 ppb Au) over 239 m (13-252.07 m), respectively. Elevated values for gold, silver and molybdenum were locally associated with anomalous copper. Alteration was mostly weak to lesser moderate biotite replacement of mafic phenocrysts. A 25 cm "seam" of semi-massive chalcopyrite-pyrite-magnetite was intersected in strongly magnetic andesite (WC07-03). The assay returned 0.6% Cu and 50 ppb Au over 2 m (89-91 m).

Cayden Resources – 2011 drilling

In 2011, Cayden Resources Inc. completed a total of 1,302 m in six holes (WC11-05 to WC11-10) targeting the most prospective airborne geophysical anomalies. Drill holes WC11-05, 06, 07 and 08 intersected weak but geochemically anomalous mineralization as copper, gold, lead and molybdenum that was associated with widespread propylitization and moderate to locally strong pyrite mineralization. The most significant intersection was encountered in WC11-08 assaying 0.11% Cu over 37.8 m, from 143.8 to 181.6 m, that included a slightly higher grade section of 0.21% Cu and 0.06 ppm Au over 10.65 m (from 170.95-181.6 m).

Sampling, Analysis and Data Verification

2007 Diamond Drilling

The sample preparation, analysis and security measures taken by Terrane Metals Corp. in 2007 were to industry standard. A Terrane Metals geologist demarked HQ drill core samples at nominal intervals of 2 m, which was lengthened or shortened depending on lithological, structural or major alteration contacts.

Drill core was split in half using a hydraulic splitter, and samples were analyzed for gold content using ALS Chemex's method Au-ICP 21 that involved a 30-gram fire assay fusion followed by gold determination by inductively coupled plasma atomic emission spectrometry (ICP-AES). Copper analysis was completed using the Cu-ICP 41 method that included a 35-element analysis.

In addition to internal laboratory quality controls utilized by ALS Chemex, Terrane Metals Corp. implemented an independent QA/QC program through systematic use of standards, blanks and duplicates. For every 20 samples, one standard and one blank were inserted into a sample stream by a technician at the project site. Two different Cu-Au standards were used and alternated for each batch of 20 samples. In addition, for every 20th sample, the sample preparation laboratory created a duplicate pulp for a comparative analysis.

Examination of routine QC data indicates that the assays are within generally accepted parameters for accuracy, precision and lack of contamination.

2011 Diamond Drilling

The 2011 diamond drilling program undertaken by Cayden Resources included the implementation of quality control methods that are considered to industry standard. The drill core was first washed, measured and photographed by a technician. A geologist then logged the core in detail and marked the sample intervals. The sampling of NTW (5.76 cm) core was at an interval of 2 to 3 m which was lengthened or shortened depending on lithological, structural or major alteration contacts.

Drill core was split in half using a hydraulic splitter with one half placed in a plastic bag and the other half placed back in the core box for the future reference. Samples were packed into rice bags and shipped to

ALS Minerals in North Vancouver for analysis. Core boxes were stacked on the pallets and stored at the Kalder Lake camp.

In the assay lab drill core samples were dried and weighed, crushed to 70% passing less than -10 mesh (2 mm), riffle split and a 250 g sample was further pulverized to 85% passing less than -200 mesh (75 microns). Gold was analyzed using ALS's Au-AA23 method that involved fire assay analysis of 30 g samples with AA (atomic absorption) finish. Copper and 34-element analysis was completed using ME-ICP 41 method. This method utilized Aqua Regia digestion and analysis by ICP-AES (inductively coupled plasma and atomic emission spectrometry).

The quality control was maintained by the systematic use of standards, blanks and duplicates. For every 10 to 25 samples, a standard, blank, and a duplicate was inserted into the sample stream by a geologist at the project site.

Data Verification

A site visit was conducted on May 10, 2017 by the author and Mr. Rory Ritchie of PEMC. The objective of the site visit was to inspect property access, confirm historical drill sites and to perform data verification on historical drill core. The author and Mr. Rory Ritchie were accompanied by Mr. Richard Haslinger Jr., the current owner of the mineral tenures comprising the Wildcat Property. The property was accessed by 4 x 4 truck until, due to wet conditions, an ATV was used to transport the author and Mr. Ritchie to historical drill pad WC11-07. The drill pad location was confirmed where the author found old timbers in a cleared area, and a drill anchor utilized while drilling WC11-07. The historical drill location matched the plotted location in GIS data records, which serves to validate the historical drill database. On the way to the historical drill site, several outcrops in the area were examined by the author.

After a physical inspection of the Property was completed, the author was driven to the Kalder Lake camp where drill core from the 2011 Cayden Resources drill program was known to be stored. Upon arrival, the drill core was seen to be in good shape due to its appropriate storage, and all holes from the 2011 program were seen to be present. The author spent some time looking through drill core in order to validate those lithologies and alteration assemblages outlined in the 2011 drilling reports by Cayden Resources. After reviewing the drill core, the author set out to oversee data verification sampling of select 2011 drill core.

A total of 6 data verification drill core samples were selected and submitted to MS Analytical Labs in Langley, British Columbia ("Met-Solve") for analysis. The selection of the data verification samples was based on anomalous copper and gold values encountered in the 2011 drill program. Specifically, an anomalous sample interval from diamond drill hole WC11-08 from 170.95 m to 181.6 m that originally assayed 0.21% Cu, 0.062 g/t Au and 1.09 g/t Ag over 10.65 m warranted verification, in the opinion of the author. In addition, sampling procedures and quality assurance/quality control procedures from the 2011 drill program were reviewed.

The drill core samples used as "check samples" were obtained from the Kalder Lake camp where the drill core has been stored following the 2011 drill program. The half-split core from the 2011 Cayden Resources drill program was inspected by the QP, sample intervals corresponding to intervals sampled in 2011 were designated by the QP, and core cutting into quartered core was supervised by the QP. Samples were put into polyethylene bags along with sample identification tags. Stubs from the sample identification tags were placed into the core boxes at the beginning of the sampled intervals. Sealed sample bags were put into one large rice bag and were transported by the QP to Vancouver, where they were handed off to Rory Ritchie of PEMC and taken directly to Met-Solve in Langley, BC for rush analysis.

The 6 quartered drill core samples were shipped to Met-Solve in Langley, BC, and were analyzed with analogous analytical packages as those originally used for the 2011 diamond drill program sample analyses. Samples were prepared by crushing to > 70% passing through < 2 mm sieve followed by pulverizing with > 85% passing through a 75 micron sieve. Samples were subjected to aqua-regia digestion and 33 element analysis using ICP-AES. 30 g aliquots were analyzed for gold by Fire Assay with an Atomic Absorption finish.

The results of the drill core "check samples" are presented in the following figure. Given that the check samples were cut from original drill core, as opposed to sampling sample rejects of the original samples, the two sets of analytical data correlate well together. R-squared values are relatively low, which may result from the limited size and scope of the verification data. There are, however, no significant outliers between the two data sets. The original assayed 10.65 m interval graded 0.21% Cu, 0.062 g/t Au and 1.09 g/t Ag. The same interval subjected to check assays graded 0.20% Cu, 0.054 g/t Au and 1.4 g/t Ag, which is within the range expected due to natural variabilities inherent in the core sampling process. In the opinion of the QP, the data verification was adequate for the purposes used in the Report.

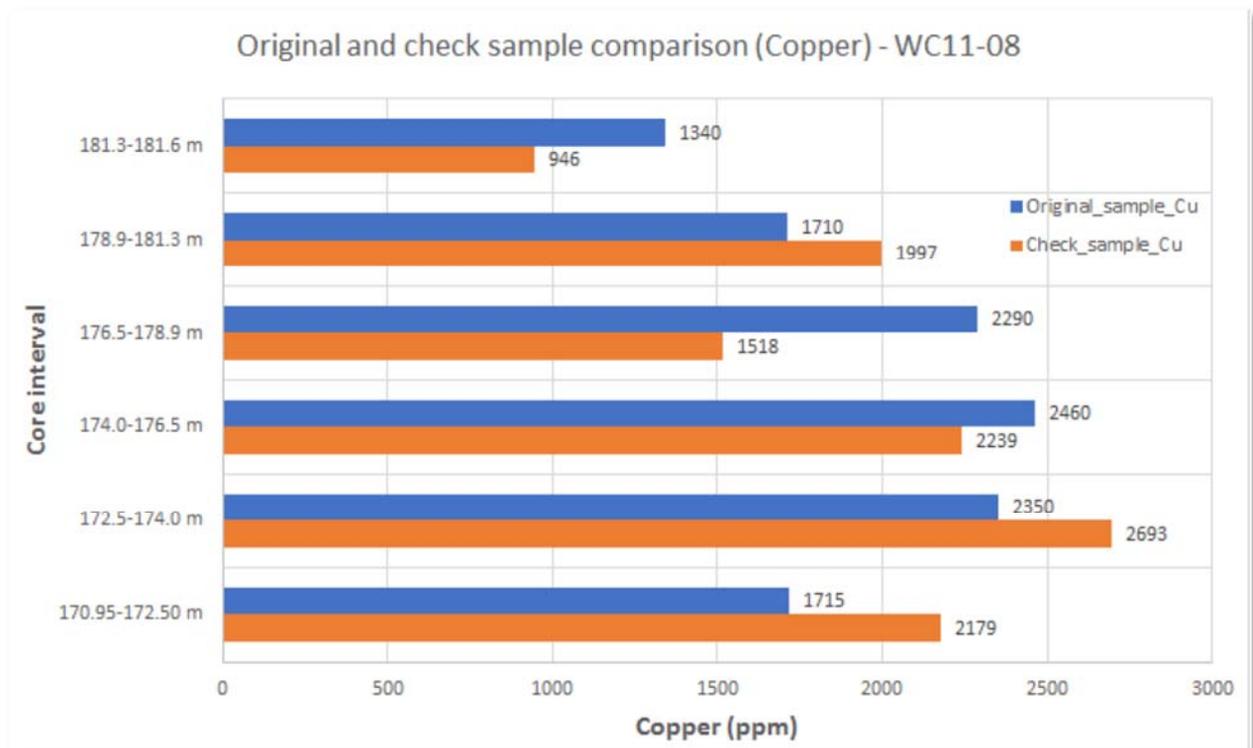


Figure 7-Check sample comparison chart - Copper

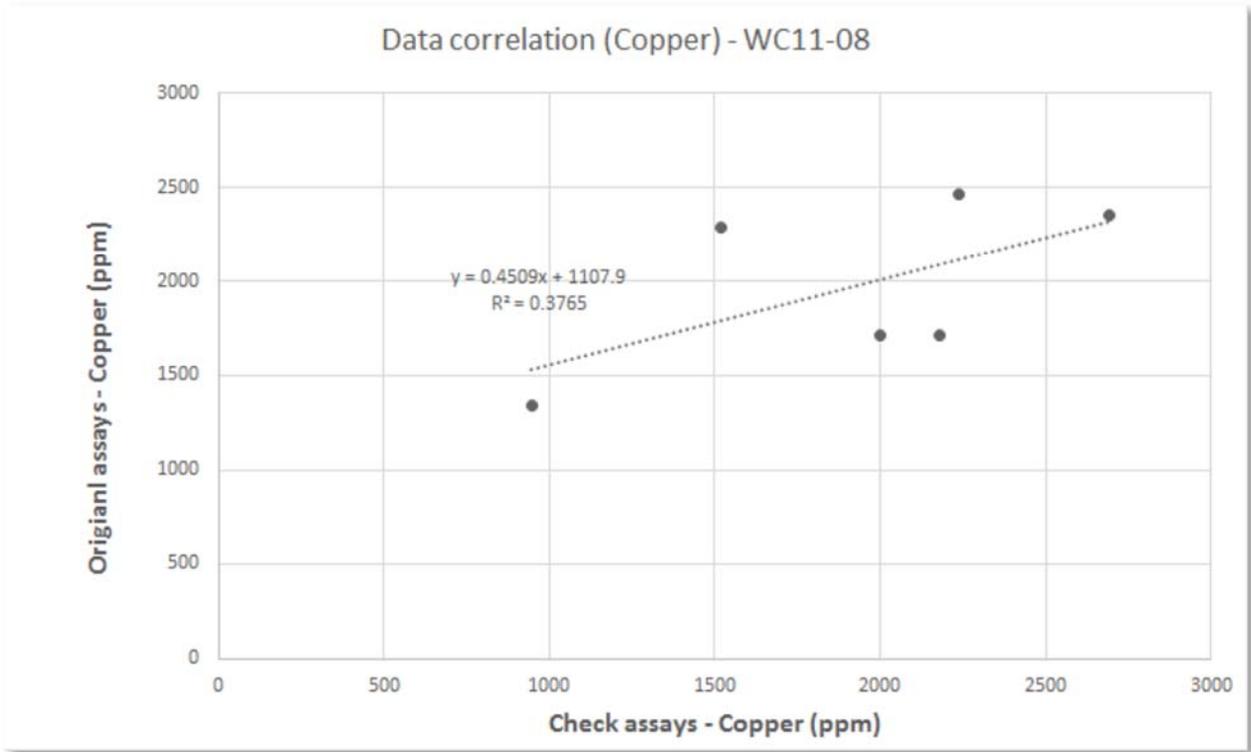


Figure 8-Data correlation chart - Copper

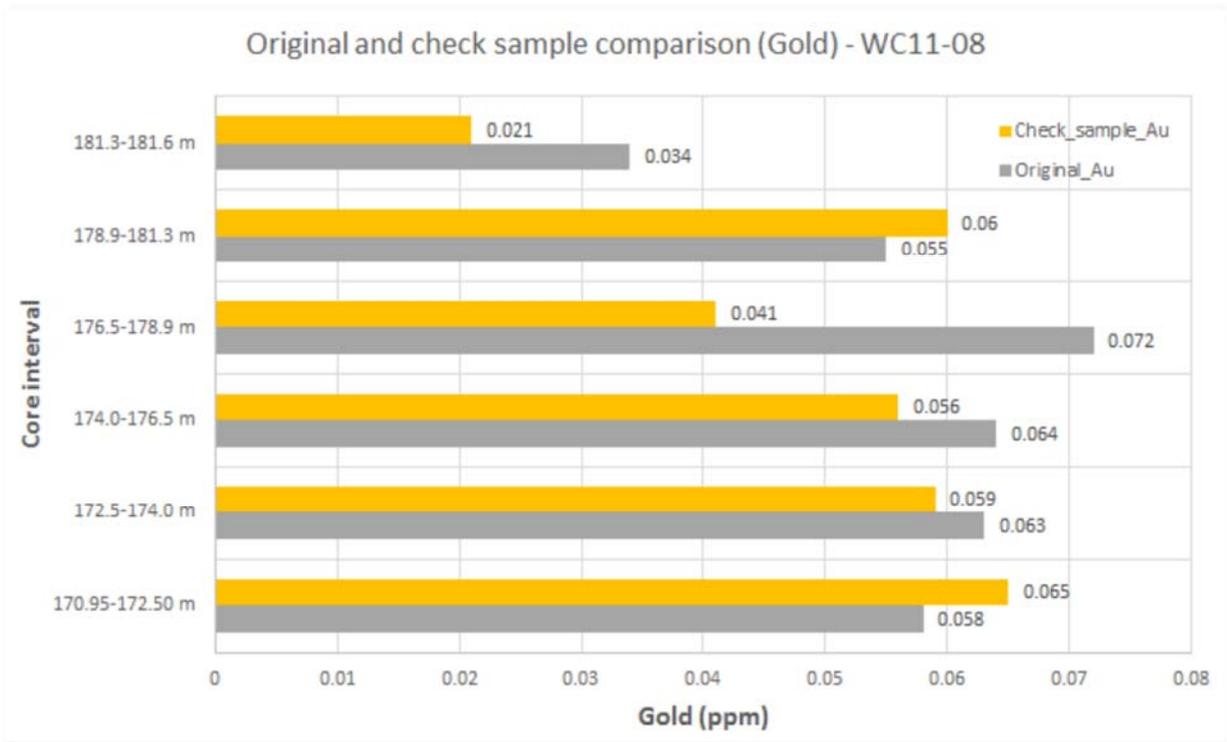


Figure 9-Check sample comparison chart - Gold

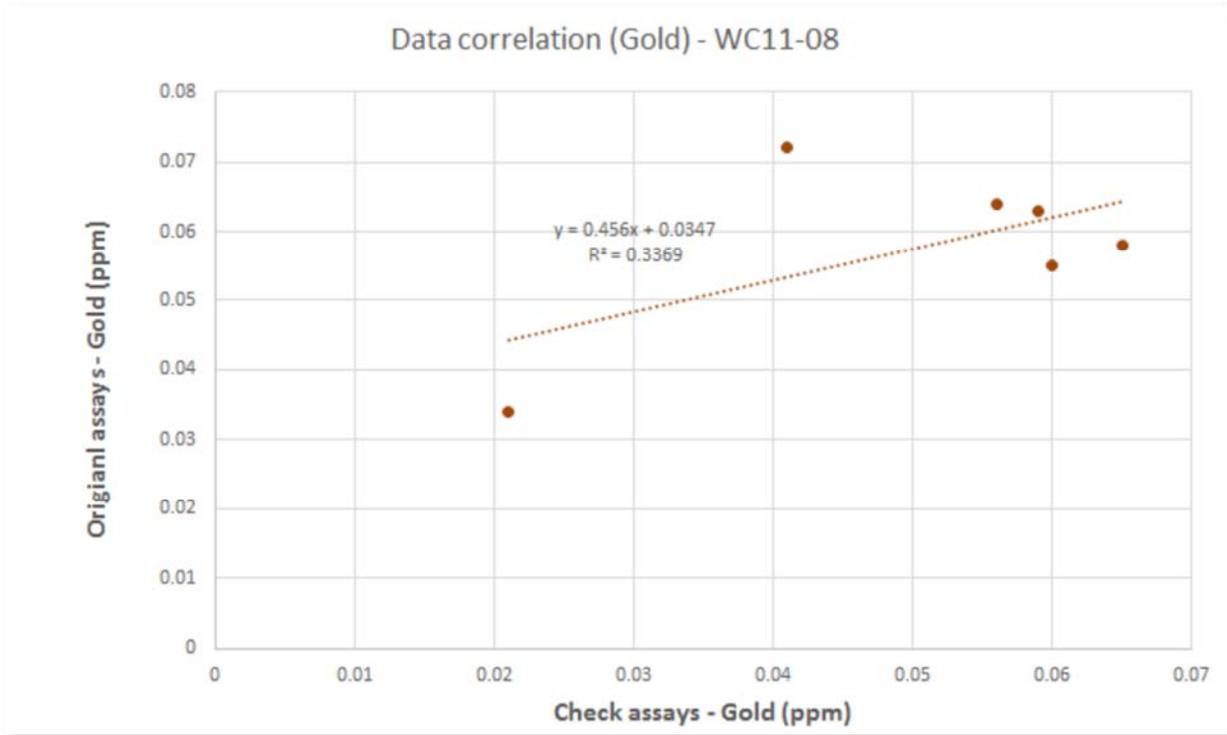


Figure 10-Data correlation chart - Gold

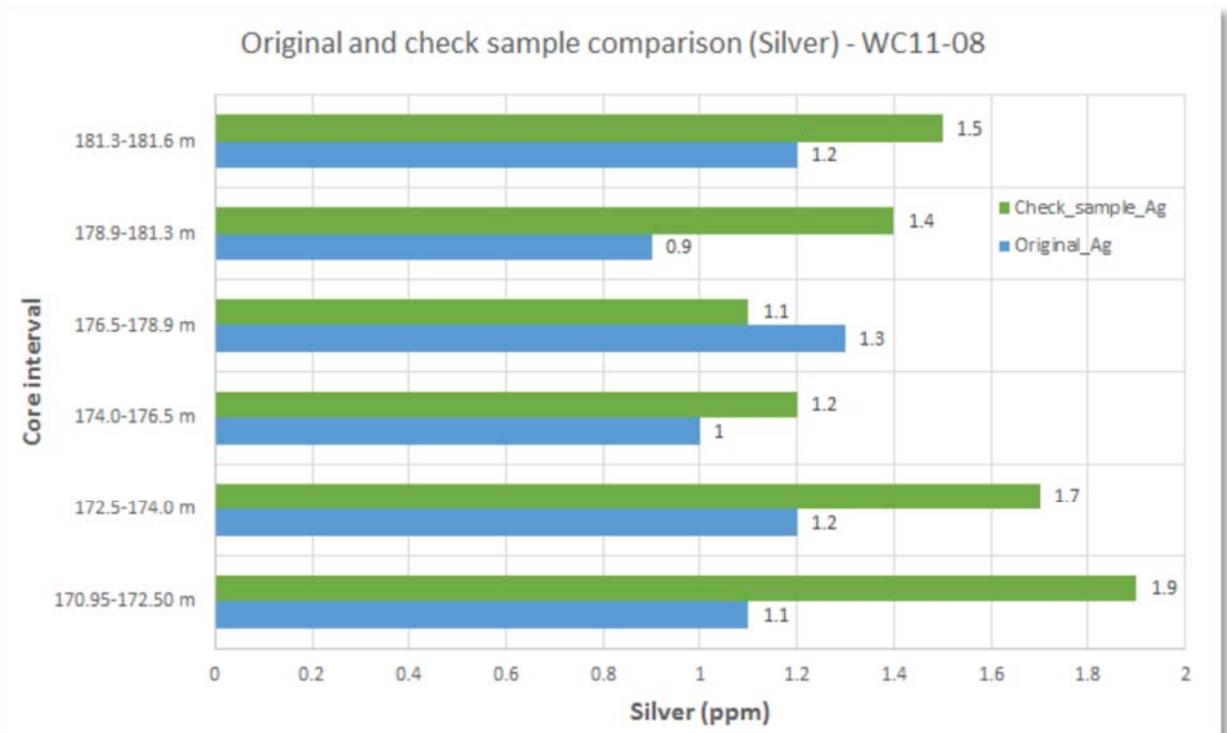


Figure 11-Check sample comparison chart - Silver

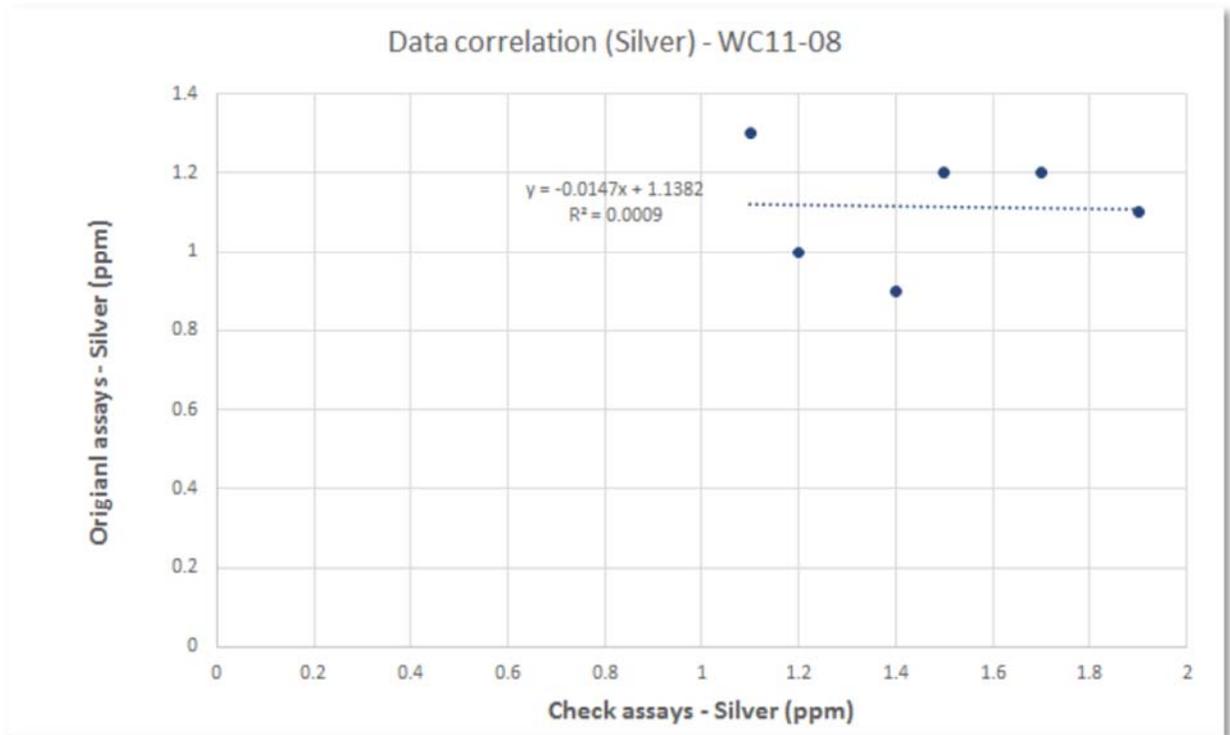


Figure 12-Data correlation chart - Silver

Proposed Exploration

A two-phase exploration program is recommended for the Wildcat Property. Phase 1 exploration involves testing of the Induced Polarization chargeability anomaly with an extensive RC drill program, in order to cost effectively test an area of significant surficial extent. A summary of expenditures is presented in the following table.

Item	Cost (CDN\$)
Phase 1	
RC drilling (4000 m)	\$100,000
Analytical	\$80,000
Accommodation & Support	\$36,000
Total Phase 1	\$216,000

Phase 2, which would be contingent on results from the initial RC drilling program, should consist of diamond drilling prospective areas identified from the Phase 1 exploration program, in order to gather information to depth. The logistical advantages on this the Wildcat Property in particular should allow for relatively inexpensive drilling, in general. The total cost of the proposed Phase 1 and 2 exploration programs is estimated at CDN \$418,000.

Item	Cost (CDN\$)
Phase 2	
Diamond drilling (1000 m)	\$150,000
Analytical	\$20,000
Accommodation & Support	\$32,000
Total Phase 2	\$202,000

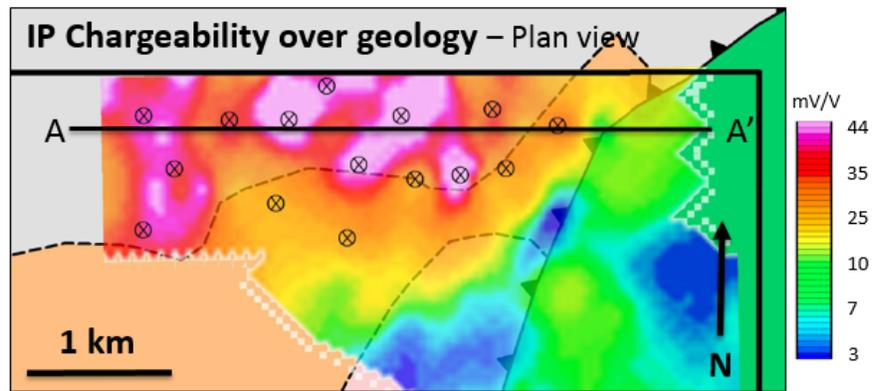


Figure 13 - Plan view of IP Chargeability over geology with potential drill pad locations

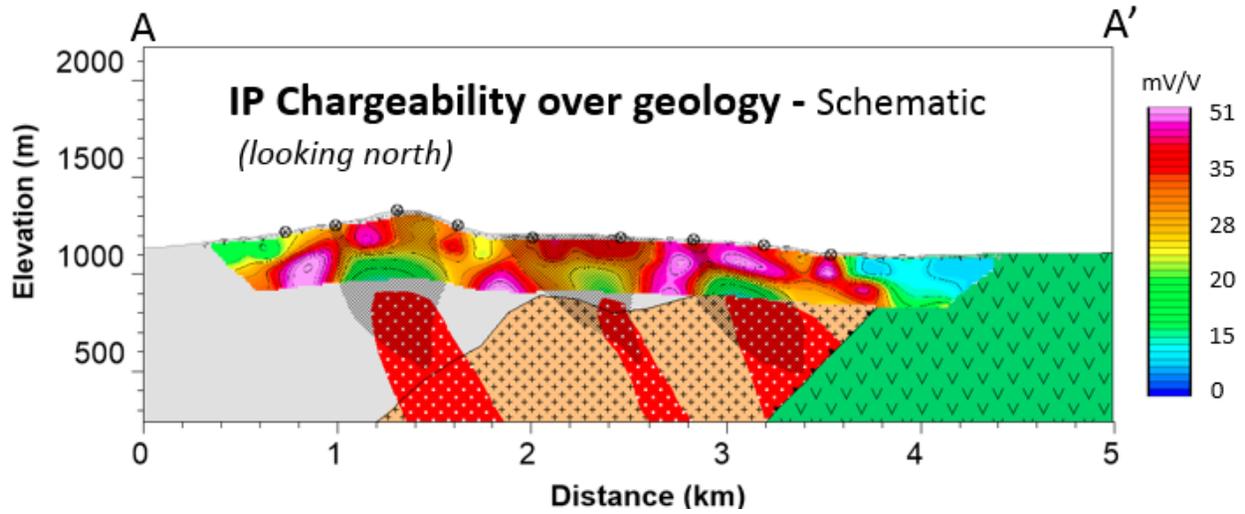


Figure 14 - Schematic cross section showing IP Chargeability with interpreted geology

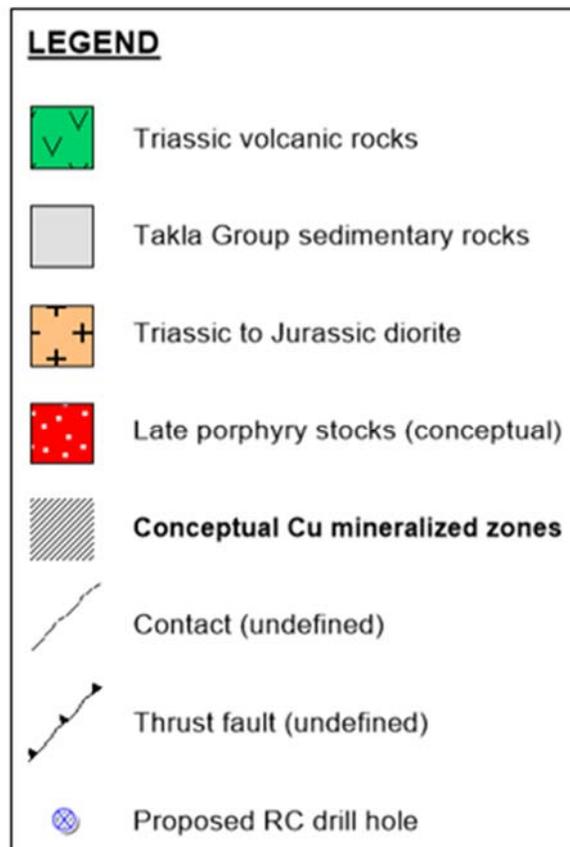


Figure 15 – Legend to Figures 13 and 14

SCHEDULE "B"

**AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED
MARCH 31, 2017 AND 2016**



FINANCIAL STATEMENTS

MARCH 31, 2017 AND 2016

(Expressed in Canadian dollars)

INDEPENDENT AUDITORS' REPORT

To the Directors of
Pacific Empire Minerals Corp.

We have audited the accompanying financial statements of Pacific Empire Minerals Corp., which comprise the statements of financial position as at March 31, 2017 and 2016, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Pacific Empire Minerals Corp. as at March 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Vancouver, Canada

Chartered Professional Accountants

August ●, 2017



PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Statements of Financial Position

(Expressed in Canadian Dollars)

ASSETS	March 31, 2017		March 31, 2016	
Current				
Cash	\$	425,478	\$	27,217
Receivables (Note 3)		28,747		16,734
Marketable securities (Note 4)		2,333		3,733
Total current assets		456,558		47,684
Non-current				
Restricted cash (Note 5)		23,000		23,000
Prepaid expenditures (Note 6)		31,250		-
Equipment (Note 6)		8,380		3,514
Reclamation deposits (Note 7)		27,000		25,000
Exploration and evaluation assets (Note 8)		73,902		53,026
Deferred financing costs (Note 10)		20,000		-
Total non-current assets		183,532		104,540
TOTAL ASSETS	\$	640,090	\$	152,224
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 12)	\$	63,148	\$	30,962
Total current liabilities		63,148		30,962
TOTAL LIABILITIES		63,148		30,962
SHAREHOLDERS' EQUITY				
Share Capital (Note 10)		1,750,366		1,005,653
Reserves		20,126		12,267
Deficit		(1,193,550)		(896,658)
TOTAL SHAREHOLDERS' EQUITY		576,942		121,262
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	640,090	\$	152,224

Nature of Operations and Ability to Continue as a Going Concern (Note 1)

Event after the Reporting Date (Note 17)

These financial statements were authorized for issuance by the Board of Directors on August ●, 2017.

Approved on behalf of the Board of Directors

“Brad Peters” , Director

“Rory Ritchie” , Director

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

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Year Ended March 31, 2017	Year Ended March 31, 2016
EXPLORATION EXPENDITURES (Note 9)	\$ 51,366	\$ 1,011,929
Less: Recoveries (Note 9)	-	(983,707)
Net exploration expenditures	51,366	28,222
GENERAL AND ADMINISTRATIVE EXPENSES		
Administrative and office	38,772	31,537
Amortization (Note 6)	1,757	1,757
Investor relations and shareholder communication	13,836	813
Management fees (Note 12)	34,800	37,600
Professional fees	62,372	35,473
Salaries and consultants (Note 12)	84,000	37,778
Share - based compensation (Note 12)	9,231	12,267
Travel	981	4,156
Total general and administrative expenses	245,749	161,381
Loss from operations	(297,115)	(189,603)
Foreign exchange (loss) gain	(97)	14,645
Interest income	348	482
Impairment of exploration and evaluation assets (Note 8)	-	(180,538)
Fair value adjustments on marketable securities	(1,400)	700
Loss and comprehensive loss for the year	\$ (298,264)	\$ (354,314)
Basic and diluted loss per common share	\$ (0.02)	\$ (0.03)
Weighted average number of common shares outstanding	13,734,365	11,410,000

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

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year ended		Year ended	
	March 31, 2017		March 31, 2016	
Cash flows from operating activities				
Loss for the year	\$	(298,264)	\$	(354,314)
Items not affecting cash:				
Amortization		1,757		1,757
Impairment of exploration and evaluation assets		-		180,538
Fair value adjustments on marketable securities		1,400		(700)
Share - based compensation		9,231		12,267
Changes in non-cash working capital items:				
Receivables		(12,013)		30,625
Accounts payable and accrued liabilities		32,186		6,290
Advances from joint venture partners		-		(36,622)
Total cash used in operating activities		(265,703)		(160,159)
Cash flows from investing activities				
Acquisition of exploration and evaluation assets		(20,876)		(11,127)
Purchase of equipment		(6,623)		-
Deposits paid on equipment		(31,250)		-
Purchase of reclamation bonds		(2,000)		-
Restricted cash		-		36,622
Total cash (used in) provided by investing activities		(60,749)		25,495
Cash flows from financing activities				
Proceeds from the sale of common shares		761,885		-
Share issuance costs		(17,172)		-
Deferred financing costs		(20,000)		-
Total cash provided by financing activities		724,713		-
Change in cash		398,261		(134,664)
Cash, beginning of the year		27,217		161,881
Cash, end of the year	\$	425,478	\$	27,217

Supplemental disclosure with respect to cash flows (Note 16)

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

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Number of common shares	Share capital	Reserves	Deficit	Total
Balance as at March 31, 2015	11,410,000	\$ 1,005,653	\$ -	\$ (542,344)	\$ 463,309
Share - based compensation	-	-	12,267	-	12,267
Loss for the year	-	-	-	(354,314)	(354,314)
Balance as at March 31, 2016	11,410,000	1,005,653	12,267	(896,658)	121,262
Shares issued for cash	7,618,850	761,885	-	-	761,885
Share issuance costs in cash	-	(17,172)	-	-	(17,172)
Share - based compensation	-	-	9,231	-	9,231
Stock options forfeited during year	-	-	(1,372)	1,372	-
Loss for the year	-	-	-	(298,264)	(298,264)
Balance as at March 31, 2017	19,028,850	\$ 1,750,366	\$ 20,126	\$ (1,193,550)	\$ 576,942

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

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Notes to the Financial Statements

(Expressed in Canadian Dollars)

For the Years Ended March 31, 2017 and 2016

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Pacific Empire Minerals Corp. (the “Company” or “Pacific Empire”), was incorporated on July 13, 2012 under the *Business Corporations Act* (British Columbia). The Company’s head office address is at Suite 211, 850 West Hastings Street, Vancouver, British Columbia V6C 1E1, Canada and its registered and records office is located at DuMoulin Black LLP, 10th Floor – 595 Howe Street, Vancouver, British Columbia V6C 2T5, Canada. The Company’s principal business activities are the acquisition and exploration of mineral properties in Canada.

These financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from the carrying values shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company’s continuing operations and the ability of the Company to meet mineral property and other commitments are dependent upon the ability of the Company to continue to raise additional equity or debt financing and to find joint venture partners. At the date of these financial statements, the Company has not identified whether any of its properties contain ore reserves that are economically recoverable. At March 31, 2017, the Company has not achieved profitable operations and has accumulated losses since inception.

On March 3, 2017, as amended June 21, 2017, and August 21, 2017, the Company signed an engagement letter with Haywood Securities Inc. (the “Agent” or “Haywood”) to act as lead agent and sole bookrunner in connection with the Company’s proposed Initial Public Offering (“IPO”) of securities of the Company and concurrent listing of the common shares of the Company on the TSX Venture Exchange (“TSX-V”) (Note 10).

With its current plans for the year and the budgets associated with those plans, management believes that the Company will have sufficient working capital to fund activities for the ensuing twelve months.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

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

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

Basis of Measurement and Presentation

These financial statements have been prepared on a historical cost basis except for assets measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars (“CAD”), which is also the Company’s functional currency.

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Notes to the Financial Statements

(Expressed in Canadian Dollars)

For the Years Ended March 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign Currency Translation

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

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

Financial Instruments

All financial instruments are classified into one of the following four categories:

(a) Financial assets and financial liabilities at fair value through profit or loss (“FVTPL”)

Financial assets and financial liabilities classified as FVTPL are acquired or incurred principally for the purpose of selling or repurchasing them in the near term. They are recognized at fair value based on market prices, with any resulting gains and losses reflected in profit or loss for the period in which they arise.

(b) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and a fixed maturity that an entity has the positive intention and ability to hold to maturity. They are measured at amortized cost using the effective interest rate method less any impairment loss. A gain or loss is recognized in profit or loss when the financial asset is derecognized or impaired, and through the amortization process.

(c) Available for sale (“AFS”) financial assets

Financial assets classified as AFS are non-derivative financial assets that are designated as available for sale, or that are not classified as loans and receivables, held-to-maturity investments, or FVTPL. They are measured at fair value. Fair value is determined based on market prices. Equity instruments that do not have a quoted market price in an active market are measured at cost. Gains and losses are recognized directly in other comprehensive income (loss) until the financial asset is derecognized, at which time the cumulative gain or loss previously recognized in accumulated other comprehensive income (loss) is recognized in profit or loss for the period.

(d) Loans and receivables and other financial liabilities

Loans and receivables and other financial liabilities are measured at amortized cost, using the effective interest rate method less any impairment loss.

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Notes to the Financial Statements

(Expressed in Canadian Dollars)

For the Years Ended March 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company's financial instruments consist of cash, receivables, marketable securities, restricted cash, reclamation deposits, and accounts payable and accrued liabilities (Note 14).

Impairment of financial assets

All financial assets except those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or,
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of FVTPL marketable securities, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Equipment

Equipment is recorded at cost and amortized over its estimated useful life using the following method:

Field equipment	20% declining balance method
Software	20% declining balance method

Cost comprises the fair value of consideration given to acquire or construct an asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use, along with the future cost of dismantling and removing the asset.

Deposits paid towards the purchase of equipment are classified as non-current prepaid expenditures and will be moved to equipment upon completion of the purchase of the related asset.

Exploration and Evaluation Assets

Upon acquiring legal title to explore, the acquisition costs of mineral property interests are capitalized and initially measured at cost. Mineral property acquisition costs include the cash consideration and the fair market value of shares issued for mineral property interests pursuant to the terms of the relevant agreements.

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(An Exploration Stage Company)

Notes to the Financial Statements

(Expressed in Canadian Dollars)

For the Years Ended March 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Mineral property acquisition costs and development expenditures incurred subsequent to the determination of the feasibility of mining operations and approval of development by the Company are capitalised until the property to which they relate is placed into production, sold or allowed to lapse. These costs will be amortized over the estimated life of the mineral property following commencement of commercial production, or written off if the property is sold, allowed to lapse, or when an impairment of value has been determined to have occurred.

Exploration and evaluation costs incurred prior to determination of the feasibility of mining operations are expensed as incurred. Re-imburements of current period exploration and evaluation costs are recognized as a recovery. Re-imburements of previously expensed exploration and evaluation costs are recognized in profit or loss.

When there is little prospect of further work on a property being carried out by the Company or its partners, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount.

Impairment of Long-lived Assets

A long-lived asset is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of a long-lived asset, or a cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of long-lived assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Estimates of future cash flows used to test recoverability of a long-lived asset include only the future cash flows that are directly associated with, and that are expected to arise as a direct result of, its use and eventual disposition. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Restoration, Rehabilitation and Environmental Obligations

Restoration, rehabilitation and environmental obligations are recognized for the expected obligations related to the retirement of long-lived tangible assets that arise from the acquisition, construction, development or normal operation of such assets. A restoration, rehabilitation or environmental obligation is recognized in the period in which it is incurred and when a reasonable estimate of the fair value of the liability can be made with a corresponding cost recognized by increasing the carrying amount of the related long-lived asset.

The restoration, rehabilitation or environmental cost is subsequently allocated in a rational and systematic method over the underlying asset's useful life. The initial fair value of the liability is accreted, by charges to operations, to its estimated future value. As at March 31, 2017 and 2016, the Company has no known restoration, rehabilitation or environmental obligations.

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)

Notes to the Financial Statements

(Expressed in Canadian Dollars)

For the Years Ended March 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share Capital

Common shares issued for non-monetary consideration are recorded at their fair value on the measurement date and classified as equity. The measurement date is defined as the earliest of the date at which the commitment for performance by the counterparty to earn the common shares is reached or the date at which the counterparty's performance is complete.

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

Valuation of Equity Units Issued in Private Placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement is determined to be the more easily measurable component and are valued at their fair value. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Earnings (Loss) per Share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares, calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted EPS is calculated by adjusting the profit or loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted EPS assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average market price during the period. Diluted EPS does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Share-based Payments

The stock option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment 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 the grant date and each tranche is recognized on a graded-vesting basis 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 have vested.

Options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value

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(Expressed in Canadian Dollars)

For the Years Ended March 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

When options are exercised the consideration received is recorded as share capital. In addition, the related share-based payment expense originally recorded as reserves are transferred to share capital. When an option is cancelled/forfeit or expired, the initial recorded value is reversed and charged to deficit.

Income Taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statement of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the President of the Company.

Significant Accounting Estimates and Critical Judgements

The preparation of these financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant Accounting Estimates

Significant accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

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(Expressed in Canadian Dollars)

For the Years Ended March 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimated useful lives of equipment

The estimated useful lives of equipment, which is included in the statements of financial position, will impact the amount and timing of the related amortization included in profit or loss.

Share-based compensation

The fair value of stock options issued are subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices and option life, changes in subjective input assumptions can materially affect the fair value estimate.

Recovery of deferred tax assets

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

Critical Accounting Judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Exploration and evaluation assets

Management is required to make judgments on the status of each mineral property and the future plans with respect to finding commercial reserves. The nature of exploration and evaluation activity is such that only a few projects are ultimately successful and some assets are likely to become impaired in future periods.

Accounting Pronouncements not yet Effective

The following standards and pronouncements have been issued by the IASB and have not yet been adopted by the Company. The Company is currently evaluating the impact the new and amended standards are expected to have on its financial statements.

IFRS 9, Financial Instruments ("IFRS 9"), addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. The new standard states that an entity choosing to measure a liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income or loss section of the entity's statement of loss and comprehensive loss, rather than within profit or loss.

Additionally, IFRS 9 includes revised guidance related to derecognition of financial instruments. IFRS 9 applies to financial statements for annual periods beginning on or after January 1, 2018, with early adoption permitted.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 15 Revenue from Contracts with Customers ("IFRS 15") supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC 31 Revenue - Barter Transactions involving Advertising Services. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 16 Leases ("IFRS 16") specifies how an issuer will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is twelve months or less, or the underlying asset has an insignificant value. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019.

3. RECEIVABLES

The Company's receivables arise from goods and services tax and mineral exploration tax credits from government taxation authorities. The carrying amounts of the Company's receivables are all denominated in Canadian dollars.

4. MARKETABLE SECURITIES

As at March 31, 2017 and 2016, the Company had the following investments:

	March 31, 2017	March 31, 2016
Fair value through profit or loss		
Cost	\$ 18,200	\$ 18,200
Accumulated unrealized loss	(15,867)	(14,467)
Fair value	\$ 2,333	\$ 3,733

5. RESTRICTED CASH

At March 31, 2017, the Company classified \$23,000 (2016 - \$23,000) as restricted cash. This amount is comprised of a GIC held as collateral for its corporate credit cards.

6. EQUIPMENT

Software and equipment	March 31, 2017	Additions	March 31, 2016	Additions	March 31, 2015
Cost	\$ 15,408	\$ 6,623	\$ 8,785	\$ -	\$ 8,785
Accumulated amortization	(7,028)	(1,757)	(5,271)	(1,757)	(3,514)
Net book value	\$ 8,380	\$ 4,866	\$ 3,514	\$ (1,757)	\$ 5,271

Included in non-current prepaid expenditures is \$31,250 related to a deposit paid towards the purchase of new exploration equipment. Completion of the purchase is expected to conclude during the year ended March 31, 2018.

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7. RECLAMATION DEPOSITS

Reclamation deposits are held as security towards future exploration work and the related future potential cost of reclamation of the Company's land and unproven mineral interests. Once reclamation of the properties is complete, the bonds will be returned to the Company. As at March 31, 2017, \$25,000 (2016 - \$25,000), and \$2,000 (2016 - \$Nil) was being held as security on the Later and Wildcat projects respectively.

8. EXPLORATION AND EVALUATION ASSETS

Properties	March 31, 2017	Acquisition	March 31, 2016	Acquisition	Impairment	March 31, 2015
Later	\$ 31,423	\$ 902	\$ 30,521	\$ 161	\$ (170,000)	\$ 200,360
Hogem	1,635	-	1,635	1,635	-	-
Kitimat	8,339	1,500	6,839	6,839	-	-
Spin	-	-	-	-	(10,538)	10,538
Copper King	6,473	-	6,473	-	-	6,473
Majazz	2,766	-	2,766	-	-	2,766
Nub East	2,492	-	2,492	2,492	-	-
Red	2,300	-	2,300	-	-	2,300
Tak	1,914	1,914	-	-	-	-
Copper Star	15,000	15,000	-	-	-	-
Wildcat	1,560	1,560	-	-	-	-
	\$ 73,902	\$ 20,876	\$ 53,026	\$ 11,127	\$ (180,538)	\$ 222,437

Later, British Columbia (formerly Col-Later)

During the year ended March 31, 2013, the Company acquired a 100% interest by staking the Later claims in the Omineca Mining Division of British Columbia. The Company also entered into an option agreement dated March 1, 2013, and amended May 9, 2014, (the "Col Option") with Indata Resources Ltd. and Nation River Resources Ltd. (collectively, the "Optionors") whereby the Company was granted an option to acquire a 100% interest in the Col claims. These claims were contiguous with the Later claims and together formed the Col-Later property.

To exercise the Col Option and earn its 100% in the Col claims, the Company was required to make a series of cash payments totalling \$1,440,000 (\$240,000 paid) and incurring expenditures totalling \$1,850,000 over a 4 year period. Upon the exercise of the Col Option, the Company was to grant a 2% net smelter return ("NSR") royalty to the Optionors. At any time after the exercise of the Col Option, the Company could purchase one half of the royalty on the property for \$1,500,000.

In February 2016, the Company decided to no longer explore opportunities on the Col claims and terminated the Col Option. All costs related to the Col claims were written off during the year ended March 31, 2016.

During the year ended March 31, 2015, the Company entered into a term sheet dated August 13, 2014 granting OZ Exploration Pty Ltd ("OZE"), a wholly owned subsidiary of OZ Minerals Limited, a company listed on the Australian Securities Exchange, an option to acquire an 80% interest in the Col-Later property.

To earn an initial 51% interest in the property, OZE paid \$70,000 on execution of the agreement, and was required to make cash payments totalling \$200,000 and incur expenditures totalling US\$ 3,500,000 over a 3 year period.

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8. EXPLORATION AND EVALUATION ASSETS (Continued)

OZE was also required to pay an additional \$400,000 upon receiving written notice and support documentation confirming the transfer to OZE of a 51% interest in the Col-Later property.

OZE continued funding exploration activities on the Col-Later property until June 2015. Before completion of its initial earn-in of 51%, OZE gave notice to the Company of the termination of the agreement.

In July 2016, the Company entered into an option agreement dated July 12, 2016 with ML Gold Corporation (“ML Gold”), a company listed on the TSX-V, whereby the Company granted ML Gold the option to acquire up to a 70% interest in the Later property. Pursuant to the agreement, ML Gold can earn an initial 51% interest in the property over a 4 year option term by completing \$2,000,000 in exploration expenditures on the property and issuing to the Company 1,000,000 common shares of ML Gold as follows:

- Incurring \$150,000 in expenditures by the first anniversary of the TSX-V approval date;
- Incurring \$250,000 in expenditures and issuing to the Company 200,000 common shares by the second anniversary of the TSX-V approval date;
- Incurring \$600,000 in expenditures and issuing to the Company 300,000 common shares by the third anniversary of the TSX-V approval date; and
- Incurring \$1,000,000 in expenditures and issuing to the Company 500,000 common shares by the fourth anniversary of the TSX-V approval date.

Upon completion of the 51% earn-in, ML Gold can earn an additional 19% interest in the property by issuing an additional 500,000 common shares to the Company and incurring a further \$3,000,000 in property expenditures within 2 years of the exercise of the option.

Wildcat, British Columbia

During the year ended March 31, 2017, the Company entered into an option agreement dated February 27, 2017 (“effective date”) with a private title holder (the “Wildcat Optionor”) to acquire a 100% interest in the Wildcat property. To earn its 100% interest, the Company must carry out certain exploration and issue 2,000,000 common shares to the Wildcat Optionor on or before the fourth anniversary of the effective date as follows:

- Issue 200,000 common shares and carry out a minimum 10 km-line induced polarization survey on or before the first anniversary of the effective date;
- Issue 400,000 common shares and drill 1 reverse circulation or diamond drill hole on or before the second anniversary of the effective date;
- Issue 600,000 common shares on or before the third anniversary of the effective date; and
- Issue 800,000 common shares on or before the fourth anniversary of the effective date.

Upon exercise of the option, the Company will grant to the Wildcat Optionor a 2% NSR royalty subject to the Company’s right to purchase one half of the royalty from the Optionor for a period of 15 years following the completion of a mineral resource estimate prepared in accordance with NI 43-101 for a purchase price equal to:

- Purchase price = 0.0007 x Gold price per ounce x gold ounce-equivalent resource

As at March 31, 2017, no common shares had been issued or work commitments have been completed by the Company.

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8. EXPLORATION AND EVALUATION ASSETS (Continued)

Red, British Columbia

During the year ended March 31, 2015, the Company acquired by staking a 100% interest in certain mineral tenures in the Clinton Mining Division of British Columbia comprising part of the Red Property.

In the year ended March 31, 2017, the Company entered into a joint venture agreement dated July 5, 2016 with EnGold Mines Ltd. Both parties hold certain adjacent claims and agreed to combine them into a single property (the "Red Property") and form an unincorporated joint venture for the purpose of exploring and developing the Red Property. The participating interests of both parties at the time of formation of the joint venture was 50% with each party responsible for payment of its proportionate share of operating and capital costs, including reclamation and remediation obligations.

Upon formation of the joint venture, a Management Committee consisting of two representatives of each party and holding voting rights in accordance with each party's participating interest was established. It shall make all decisions required to be made by the joint venture participants. The Management Committee shall be responsible for the exploration and development of the Red Property and for the negotiation of any option or sale of the Property.

No exploration work has been performed under the agreement.

Hogem, British Columbia

Acquired by staking, the Company holds a 100% interest in certain mineral claims comprising part of the Hogem Property.

During the year ended March 31, 2016, the Company entered into a joint venture agreement dated April 24, 2015 with Divitiae Resources Ltd, a privately owned junior exploration and consulting company. Both parties hold certain adjacent claims and agreed to combine them into a single property (the "Hogem Property") and form an unincorporated joint venture for the purpose of exploring and developing the Hogem Property. The participating interests of both parties at the time of formation of the joint venture was 50% with each party responsible for payment of its proportionate share of operating and capital costs, including reclamation and remediation obligations.

Upon formation of the joint venture, a Management Committee consisting of two representatives of each party and holding voting rights in accordance with each party's participating interest was established. It shall make all decisions required to be made by the joint venture participants. The Management Committee shall be responsible for the exploration and development of the Hogem Property and for the negotiation of any option or sale of the Property.

No exploration work has been performed under the agreement.

Copper Star, British Columbia

During the year ended March 31, 2017, the Company purchased a 50% interest in 5 tenures forming the Copper Star Project for \$15,000. The other 50% is held by Divitiae.

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8. EXPLORATION AND EVALUATION ASSETS (Continued)

Kitimat, Copper King, Nub East, Tak, Majazz, British Columbia

Acquired by staking, the Company holds a 100% undivided interest in each of the Kitimat, Copper King, Nub East, and Tak claims.

Acquired by staking, the Company holds a 50% interest in the Majazz claims. The other 50% is held by a local trapline holder.

9. EXPLORATION EXPENDITURES

During the year ended March 31, 2017, the Company incurred the following exploration expenditures, which were expensed as incurred:

	Later	Kitimat	Red	Wildcat	Other*	Total
Administration Cost	\$ 44	\$ -	\$ -	\$ -	\$ -	\$ 44
Assays	1,552	-	-	-	-	1,552
Logistics	64	578	279	-	814	1,735
Personnel	19,100	13,206	5,400	3,150	4,644	45,500
Travel	512	1,861	162	-	-	2,535
Net Expenditures	\$ 21,272	\$ 15,645	\$ 5,841	\$ 3,150	\$ 5,458	\$ 51,366

* Components of "Other" exploration expenditures for the year ended March 31, 2017 were Copper King - \$1,500; Majazz - \$1,493; Copper Star - \$1,200; Hogem - \$300; and other - \$965.

During the year ended March 31, 2016, the Company incurred the following exploration expenditures, which were expensed as incurred:

	Later	Copper King	Majazz	Red	Other*	Total
Administration Cost	\$ 9,587	\$ -	\$ -	\$ -	\$ 49	\$ 9,636
Assays	629	756	-	-	-	1,384
Drilling / Trenching	362,651	-	-	-	-	362,651
Helicopter	206,563	6,129	-	-	-	212,692
Logistics	171,166	3,845	5,394	1,099	2,035	183,539
Personnel	151,339	12,750	11,250	12,900	26,850	215,089
Professional costs	6,210	-	-	-	-	6,210
Travel	17,403	58	1,816	729	721	20,726
Total Expenditures	925,548	23,538	18,460	14,728	29,655	1,011,929
Recoveries	(916,906)	-	-	-	-	(916,906)
Operator fee	(52,268)	-	-	-	-	(52,268)
Exploration tax credit refund	-	-	-	-	(14,533)	(14,533)
Net Expenditures	\$ (43,626)	\$ 23,538	\$ 18,460	\$ 14,728	\$ 15,122	\$ 28,222

* Components of "Other" exploration expenditures for the year ended March 31, 2016 were Kitimat - \$14,100; Hogem - \$11,532; and Kirby Gold - \$4,023.

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10. EQUITY

Authorized

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

Share Capital

No preferred shares have been issued from incorporation to March 31, 2017.

Subsequent to March 31, 2017, the Company issued 765,000 common shares to two directors of the Company and one employee of Seabord Services Corp., a consultant to the Company, for proceeds of \$76,500.

As at March 31, 2017, a total of 19,028,850 common shares were issued and outstanding.

During the year ended March 31, 2017, the Company completed private placements of \$761,885 through the issuance of 7,618,850 common shares at a price of \$0.10 per common share. The Company paid \$17,172 in share issue costs for filing fees and legal expenses in connection with the financings.

The Company has signed an engagement letter dated March 3, 2017, as amended June 21, 2017, and August 21, 2017, with Haywood to act as lead agent and sole bookrunner in connection with the proposed IPO of securities of the Company and concurrent listing of the common shares of the Company on the TSX-V. It is anticipated that the IPO will seek aggregate gross proceeds of a minimum of \$1,500,000 through the sale of 7,500,000 units at \$0.20 per unit, and up to a maximum of \$2,000,000 through the sale of 10,000,000 units at \$0.20 per unit. Each unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the purchase, subject to adjustment in certain circumstances, of one common share of the Company at a price of \$0.30 per share until the second anniversary of the completion of the IPO. The definitive size of the IPO will be decided based on negotiations between Haywood and the Company prior to the filing of the final Prospectus.

The Company estimates the costs of the IPO will be between \$355,000 and \$390,000. This includes a cash commission of 7% of gross proceeds to be paid to Haywood, a corporate finance fee of \$25,000, and other costs estimated at \$225,000. As at March 31, 2017, the Company has prepaid \$10,000 to Haywood as an advance against the corporate finance fee, and paid \$10,000 as an initial deposit against anticipated expenses of Haywood.

During the year ended March 31, 2016, the Company did not issue any common shares.

Stock Option Plan

As at March 31, 2017, the Company had a stock option plan that allows the Board of Directors to grant incentive stock options to the Company's officers, directors, employees and consultants to purchase up to that number of common shares equal to 10% of its outstanding shares for a term of up to ten years. The exercise price of each option is to be not less than the fair market value of the Company's stock as determined by the Plan administrator. The vesting terms are determined at the time of the option grant.

On August 25, 2017, the Board of Directors approved a new stock option plan to replace its existing stock option plan for the purpose of complying with TSX-V requirements in connection with the IPO. Under the new stock option plan, among other things, options granted to investor relations personnel vest in accordance with TSX-V regulations.

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10. EQUITY (Continued)

The changes in stock options outstanding are as follows:

	Number	Weighted Average Exercise Price
Balance as at March 31, 2015	-	\$ -
Granted	325,000	0.15
Balance as at March 31, 2016	325,000	0.15
Granted	100,000	0.15
Cancelled and expired unexercised	(20,000)	0.15
Balance as at March 31, 2017	405,000	0.15
Number of options exercisable as at March 31, 2017	76,250	\$ 0.15

The following table summarizes the stock options outstanding and exercisable at March 31, 2017:

Date Granted	Number of Options	Exercisable	Exercise Price \$	Expiry Date
May 27, 2015	305,000	76,250	\$ 0.15	May 27, 2020
June 7, 2016	100,000	-	\$ 0.15	June 7, 2021

* Subsequent to March 31, 2017, and prior to the planned IPO, the exercise price for 240,000 options granted to officers of the Company was increased to \$0.20 per common share.

The weighted average remaining life of the stock options exercisable is 3.4 years (2016 – 4.6 years).

Warrants

There were no warrants outstanding at any point during the years ended March 31, 2017 and 2016.

Share-based Payments

During the year ended March 31, 2017, the Company recorded share-based payment expense of \$9,231 (2016 - \$12,267), which represents the fair value of options vested, granted and accrued during the year with the offsetting amount credited to reserves.

The weighted average fair value of the stock options granted during the year ended March 31, 2017 was \$0.07 per stock option (2016 - \$0.07 per stock option). The fair value of stock options granted was estimated using the Black-Scholes option pricing model with weighted average assumptions as follows: risk-free interest rate of 0.63% (2016 – 0.78%), dividend yield of 0% (2016 – 0%), volatility of 100% (2016 - 100%), forfeiture rate of 0% (2016 – 0%) and an expected life of 5 years (2016 – 5 years).

11. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the acquisition and exploration of mineral properties. As such, all of the Company's equipment and exploration and evaluation assets are located in Canada.

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12. RELATED PARTY TRANSACTIONS AND BALANCES

The Company entered into certain transactions with key management personnel, which the Company has defined as Officers and Directors of the Company. The aggregate value of these transactions and outstanding balances are as follows:

	Year ended March 31, 2017	Year ended March 31, 2016
<u>Consultant fees</u>		
Management and directors	\$ 127,500	\$ 165,390
<u>Management fees</u>		
Seabord Services Corp.*	34,800	37,600
<u>Share - based compensation</u>		
Management and directors	4,457	9,945
	\$ 166,757	\$ 212,935

Amounts due to related parties as of March 31, 2017 and March 31, 2016 are as follows:

Related party liabilities	Items or services	March 31, 2017	March 31, 2016
President	Management fees and reimbursable expenses	\$ 7,245	\$ 6,615
Vice President, Exploration	Management fees and reimbursable expenses	9,360	6,930
Seabord Services Corp.*	Management fees and reimbursable expenses	-	3,045
		\$ 16,605	\$ 16,590

* Seabord Services Corp. ("Seabord") provides the following services: a Chief Financial Officer ("CFO"), a Corporate Secretary, accounting and administration staff, and office space to the Company. The CFO and Corporate Secretary are employees of Seabord and are not paid directly by the Company.

13. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial Risk Management

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. Although the Company operates only in Canada and all expenditures are incurred in Canadian dollars, significant U.S. dollars are sometimes held by the Company. Therefore, a significant change in the currency exchange rates between the Canadian dollar relative to the U.S. dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

As at March 31, 2017 the Company held \$13,859 in U.S. dollars. Based on this net exposure and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the U.S. dollar

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13. FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

would result in an increase/decrease of approximately \$1,800 in the Company's pre-tax loss based on a March 31, 2017 exchange rate of \$1 U.S dollar to \$1.3328 Canadian dollars.

Credit Risk

Credit risk arises from cash as well as credit exposures to counterparties of outstanding receivables and committed transactions. There is no concentration of credit risk other than on cash deposits and receivables. The Company's cash deposits are primarily held with a Canadian chartered bank. Further, receivables comprise amounts due from the federal government. Therefore, credit risk is considered low.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to pay obligations as they fall due. Financial liabilities, at March 31, 2017, included \$63,148 of accounts payable and accrued liabilities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Interest Rate Risk

When the Company has sufficient cash, it will invest in term deposits which can be reinvested without penalty after thirty days should interest rates rise. As at March 31, 2017 and 2016, the Company did not have any interest-bearing loans. Accordingly, the Company does not have significant interest rate risk.

Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. The Company relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. There has been no change in approach to managing capital in the past twelve months and the Company believes with its current plans in place, it will have sufficient capital to fund its administrative and exploration expenditures for the next twelve months.

14. FINANCIAL INSTRUMENTS BY CATEGORY

Fair Values

The Company's financial instruments consist of cash, receivables, marketable securities, restricted cash, reclamation deposits and accounts payable and accrued liabilities. The Company recognizes cash at fair value with subsequent measurement depending on classification as described below. Classification of financial instruments depends on the purpose for which the financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments.

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14. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

As at March 31, 2017 and 2016, the Company has made the following classifications for its financial instruments:

As at March 31, 2017	Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total
Cash	\$ -	\$ 425,478	\$ -	\$ 425,478
Restricted cash	-	23,000	-	23,000
Marketable securities	2,333	-	-	2,333
Accounts payable and accrued liabilities	-	-	(63,148)	(63,148)
Total	\$ 2,333	\$ 448,478	\$ (63,148)	\$ 387,663

As at March 31, 2016	Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total
Cash	\$ -	\$ 27,217	\$ -	\$ 27,217
Restricted cash	-	23,000	-	23,000
Marketable securities	3,733	-	-	3,733
Accounts payable and accrued liabilities	-	-	(30,962)	(30,962)
Total	\$ 3,733	\$ 50,217	\$ (30,962)	\$ 22,988

Reclamation bonds are classified as financial assets held-to-maturity.

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments which are measured using the fair value hierarchy include marketable securities and categorized as level 1.

The carrying values of receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

15. INCOME TAXES

The provision for income taxes differs from the amount calculated using the Canadian federal and provincial statutory income tax rate of 26% (2016 – 26%) as follows:

	2017	2016
Loss for the year before income taxes	\$ (298,264)	\$ (354,314)
Expected income tax expense (recovery)	(78,000)	(92,000)
Change in statutory, foreign tax, foreign exchange rates and other	(3,000)	(64,000)
Permanent difference and other	3,000	3,000
Changes in unrecognized deductible temporary difference	78,000	153,000
	\$ -	\$ -

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15. INCOME TAXES (Continued)

Significant components of the Company's unrecognized deferred tax assets are as follows:

	2017	2016
Deferred tax assets:		
Exploration and evaluation assets	\$ 148,000	\$ 135,000
Property and equipment	5,000	5,000
Share issue costs and other	4,000	1,000
Non-capital losses available for future periods	142,000	80,000
	299,000	221,000
Unrecognized deferred tax assets	(299,000)	(221,000)
Net deferred tax assets	\$ -	\$ -

The significant components of the Company's unrecognized temporary differences are as follows:

	Expiry date	2017	2016
Temporary differences:			
Exploration and evaluation assets	no expiry	\$ 548,000	\$ 497,000
Investment tax credit	no expiry	7,000	7,000
Property and equipment	no expiry	20,000	18,000
Share issue costs and other	2038 to 2041	15,000	3,000
Marketable securities	no expiry	(4,000)	(4,000)
Non - capital losses available for future periods	2032 to 2037	547,000	307,000

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

16. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash investing and financing transactions during the year ended March 31, 2017 included the reclassification of \$1,372 from reserves to deficit related to the fair value of stock options forfeited.

There were no significant non-cash investing and financing transactions during the year ended March 31, 2016.

17. EVENT AFTER THE REPORTING DATE

Subsequent to the year ended March 31, 2017, the Company granted 1,100,000 incentive stock options to management, and directors and consultants to the Company pursuant to the Company's stock option plan. These options are exercisable at \$0.20 per share for a period of 5 years expiring on June 23, 2022. Also, pursuant to an advisory agreement, the Company granted stock options to a consultant to purchase 150,000 common shares of the Company at \$0.20 per share for 5 years, expiring on July 4, 2022; and

SCHEDULE "C"

**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE FINANCIAL CONDITION AND RESULTS OF OPERTAIONS
FOR THE YEAR ENDED MARCH 31, 2017**



**MANAGEMENT'S
DISCUSSION AND ANALYSIS
FOR THE
YEAR ENDED MARCH 31, 2017**

Dated: August ●, 2017

(All amounts expressed in Canadian dollars unless otherwise indicated)

GENERAL

Pacific Empire Minerals Corp. (the “Company” or “PEMC”) is a private company with plans to list on the TSX Venture Exchange (“TSX-V”) upon closing of its proposed initial public offering (“IPO”). Until a receipt is issued for a final prospectus in connection with the proposed IPO, the Company is not a reporting issuer. The Company is a mineral exploration company whose principal business is the acquisition and exploration of copper-gold porphyry, mineral exploration properties, with a focus on British Columbia, Canada.

The following Management Discussion and Analysis (“MD&A”) of the Company’s financial position and results of operations has been prepared by management in accordance with the requirements of National Instrument 51-102. The following information is prepared as at August 9, 2017 unless otherwise stated, supplements, but does not form part of the audited financial statements of the Company for the year ended March 31, 2017. This MD&A should be read in conjunction with the the March 31, 2017 financial statements and the related notes therein. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards (“IFRS”). All amounts are expressed in Canadian dollars unless otherwise indicated.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

Rory Ritchie, P. Geo and Vice-President of Exploration for PEMC, is the Company’s Qualified Person as defined by National Instrument 43-101, and is responsible for the accuracy of the technical information in this MD&A and has approved its written disclosure.

FORWARD LOOKING STATEMENTS

This MD&A may contain “forward-looking statements” that reflect the Company’s current expectations and projections about its future results. Forward-looking statements are statements that are not historical facts, and include, but are not limited to: a) estimates and their underlying assumptions; b) statements regarding plans, objectives and expectations with respect to the effectiveness of the Company’s business model, future operations, capital raising initiatives, the impact of regulatory initiatives on the Company’s operations, and market opportunities; c) general industry and macroeconomic performance and growth rates; d) expectations related to possible business opportunities, joint or strategic ventures; and e) statements regarding future performance.

Forward-looking statements used in this MD&A are subject to various risks, uncertainties and other factors, most of which are difficult to predict and are generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to: a) unavailability of financing; b) failure to identify commercially viable mineral reserves; c) fluctuations in the market valuation for commodities; d) difficulties in obtaining required approvals for the development of a mineral project; and e) other factors.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks, uncertainties and other factors, including the risks, uncertainties and other factors identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company

disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities law.

KEY EVENTS FOR THE YEAR ENDING MARCH 31, 2017

EXPENDITURES: During the year ended March 31, 2017, the Company recorded a net loss of \$298,264. This was comprised of exploration expenditures of \$51,366, \$245,749 of general and administration expenditures, of which \$9,231 related to stock-based compensation, and a loss of \$1,149 in other items.

PINNACLE REEF (formerly Later) PROJECT: The Company entered into an option agreement dated July 12, 2016 with ML Gold Corporation (“ML Gold”), a company listed on the TSX-V, whereby the Company granted ML Gold the option to acquire up to a 70% interest in the Pinnacle Reef Property (as defined herein). Pursuant to the agreement, ML Gold can earn an initial 51% interest in the property over a 4 year option term by completing \$2,000,000 in exploration expenditures on the property and issuing to the Company 1,000,000 common shares of ML Gold.

WILDCAT PROJECT: The Company entered into an option agreement dated February 27, 2017 with a private title holder to acquire a 100% interest in the Wildcat Property (as defined herein). To earn its 100% interest, PEMC must carry out certain exploration expenditures and issue 2,000,000 common shares to the optionor on or before the fourth anniversary. As of the date of this MD&A, certain expenditure requirements amounting to approximately \$115,000 has been completed.

FINANCING: The Company completed private placements of \$761,885 through the issuance of 7,618,850 common shares at a price of \$0.10 per common share. The Company paid \$17,172 in share issue costs for filing fees and legal expenses in connection with the financings.

EVENT SUBSEQUENT TO THE YEAR ENDED MARCH 31, 2017

INITIAL PUBLIC OFFERING: The Company has signed an engagement letter dated March 3, 2017, as amended June 21, 2017, and August 21, 2017, with Haywood Securities Inc. (the “Agent”) to act as lead agent and sole bookrunner in connection with the proposed IPO of securities of the Company and concurrent listing of the common shares of the Company on the TSX-V. It is anticipated that the IPO will seek aggregate gross proceeds of a minimum of \$1,500,000 through the sale of 7,500,000 units at \$0.20 per unit, and up to a maximum of \$2,000,000 through the sale of 10,000,000 units at \$0.20 per unit. Each unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the purchase, subject to adjustment in certain circumstances, of one common share of the Company at a price of \$0.30 per share until the second anniversary of the completion of the IPO. The definitive size of the IPO will be decided based on negotiations between Haywood and the Company prior to the filing of the final Prospectus.

The Company estimates the costs of the IPO will be between \$355,000 and \$390,000. This includes a cash commission of 7% of gross proceeds to be paid to the Agent, a corporate finance fee of \$25,000, and other costs estimated at \$225,000. As at March 31, 2017, the Company has prepaid \$10,000 to Haywood as an advance against the corporate finance fee, and paid \$10,000 as an initial deposit against anticipated expenses of Haywood.

ISSUANCE OF COMMON SHARES: Subsequent to the year ended March 31, 2017, the Company issued 765,000 common shares to two directors of the Company and one employee of Seabord Services Corp., a consultant to the Company, for proceeds of \$76,500.

GRANT OF INCENTIVE STOCK OPTIONS: Subsequent to the year ended March 31, 2017, the Company granted 1,100,000 incentive stock options to management, and directors and consultants to the Company pursuant to the Company's stock option plan. These options are exercisable at \$0.20 per share for a period of 5 years expiring on June 23, 2022. Also, pursuant to an advisory agreement, the Company granted stock options to a consultant to purchase 150,000 common shares of the Company at \$0.20 per share for 5 years, expiring on July 4, 2022.

DESCRIPTION OF BUSINESS

The Company is a private company with plans to list on the TSX-V. The Company is a mineral exploration company whose principal business is the acquisition and exploration of copper-gold porphyry, mineral exploration properties, with a focus on British Columbia, Canada.

The Company's material property is the Wildcat property, consisting of 10 mineral claims covering an area of approximately 5,826 hectares in the Omineca Mining Division of British Columbia (the "Wildcat Project" or "Wildcat Property"). In addition to its option to acquire a 100% interest in the Wildcat Project, the Company has interests in 9 other mineral properties in British Columbia and employs the prospect generator business model whereby it carries out grass-roots exploration on its mineral properties to advance them to a stage where it can attract the participation of a third party with the experience and financial capability to carry out diamond drilling on the properties.

To carry out exploration on its properties, the Company has commissioned the manufacture of a portable reverse circulation drill that it intends to use to advance its properties. This will allow the Company to cost-effectively explore its properties on a timely basis.

To date, equity financings have provided the main source of financing. The recovery of the Company's investment in its mineral properties will be dependent upon the execution of earn-in agreements with incumbent partners, assuming there are monetary or equity payments issued, or the discovery of economically recoverable mineral reserves and the ability to raise sufficient capital to finance these operations. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

OVERALL PERFORMANCE

The Company was incorporated on July 13, 2012, and commenced business at that time. The Company is a mineral exploration company that employs the "prospect generator" business model currently focused on the acquisition, funding and exploration of the Wildcat Project, and obtaining a listing on the TSX-V. To those ends, the Company has (i) been exploring and acquiring mineral exploration properties in British Columbia since 2012; (ii) entered into a total of 3 agreements since 2012 (2 of which have since been terminated) as property optionor in an attempt to advance through partner-funded exploration various mineral properties while utilizing the "prospect generator" business model; (iii) raised sufficient funds to fund initial obligations under the Wildcat Project option agreement and the costs of going public; (iv) commissioned the technical report on the Wildcat Project; and (v) engaged the Agent to assist in the

Company's application to the TSX-V for a listing of PEMC's shares and to assist in the IPO. As of the date of this MD&A, the Company has raised an aggregate of \$1,787,385 through the sale of its securities.

SIGNIFICANT ACQUISITIONS AND DISPOSITIONS

The only significant acquisition that has taken place during the year ended March 31, 2017 has been the option to acquire the Wildcat Property by way of an Option Agreement. The only significant disposition during the year ended March 31, 2017 has been entering into an option agreement relating to the Pinnacle Reef Property (formerly Later Property) covering an area of approximately 6,684 hectares located in the Omineca Mining Division of British Columbia (the "Pinnacle Reef Property"). No significant acquisitions or dispositions took place during the year ended March 31, 2016.

The Wildcat Option Agreement did not include "on-signing" payments of any kind, and thus has not impacted the Company's financial condition in that regard. The Company did, however, incur exploration costs totaling approximately \$115,000 as of the date of this MD&A.

On July 12, 2016, PEMC entered into an option agreement with ML Gold whereby ML Gold can earn up to a 70% interest in the Pinnacle Reef Property. As such, PEMC has effectively disposed of a 70% interest in the Pinnacle Reef Property. As of the date of this MD&A, ML Gold has not earned any interest in the Pinnacle Reef Property.

YEAR ENDED MARCH 31, 2017 AND SELECTED ANNUAL FINANCIAL INFORMATION

The following table summarizes selected financial data from the Company's audited financial statements for the years ended March 31, 2017 and 2016, and should be read in conjunction with such statements and related notes, contained in this MD&A:

As at	March 31, 2017	March 31, 2016
Financial positions		
Working capital	\$ 393,410	\$ 16,722
Current assets	456,558	47,684
Exploration and evaluation assets	73,902	53,026
Total assets	640,090	152,224
Current liabilities	63,148	30,962
Share capital	1,750,366	1,005,653
Reserves	20,126	12,267
Deficit	(1,193,550)	(896,658)
<hr/>		
Year ended	March 31, 2017	March 31, 2016
Financial results		
Exploration expenditures (net)	\$ 51,366	\$ 28,222
Net loss	(298,264)	(354,314)
Net loss per share - basic and diluted	(0.02)	(0.03)
Number of shares outstanding	19,028,850	11,410,000

During the year ended March 31, 2017, the Company incurred a net loss of \$298,264 (2016 - \$354,314). The loss for the year then ended was comprised of net exploration expenditures of \$51,366 (2016 - \$28,222), general and administration expenditures of \$245,749 (2016 - \$161,381), and a loss from other items of \$1,149 (2016 - \$164,711). Some items to note from year to year include the following:

During the year ended March 31, 2017, the Company did not incur any expenditures on projects that were funded by partners and operations were focused on maintenance and prospectus work. During the year ended March 31, 2017, the Company's partner on the Pinnacle Reef Property (formerly the Later Project), ML Gold, incurred approximately \$690,000 pursuant to the active option agreement. For the comparable year ended March 31, 2016, the Company incurred \$1,011,929 in exploration expenditures in which \$983,707 was recovered from Oz Minerals on the Pinnacle Reef Property.

Professional fees consist of audit and legal fees. During the year ended March 31, 2017 the Company incurred \$62,372 in professional fees compared to \$35,473 in the comparative year. The increase of \$26,899 was mainly due to accruals for audit and legal fees in relation to the pending IPO.

During the year ended March 31, 2017 the Company incurred \$84,000 in compensation to consultants compared to \$37,778 in the comparative year. The increase of \$46,222 was mainly due to additional management and consultant time being spent on the pending IPO.

Included in other items during the year ended March 31, 2016 was an impairment of exploration and evaluation assets of \$180,538. There was no comparative impairment in the current year ended March 31, 2017. The impairment in the prior year included \$170,000 related to the "Col Option" terminated by the Company during the year ended March 31, 2016. This option agreement included significant cash payments from the Company to the vendor of the Later Property (formerly Col-Later).

As a non-reporting issuer, the Company has not prepared any interim or quarterly financial statements since its inception on July 13, 2012.

FINANCIAL RISK MANAGEMENT

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. Although the Company operates only in Canada and all expenditures are incurred in Canadian dollars, significant U.S. dollars are sometimes held by the Company. Therefore, a significant change in the currency exchange rates between the Canadian dollar relative to the U.S. dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

As at March 31, 2017 the Company held \$13,859 in U.S. dollars. Based on this net exposure and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the U.S. dollar would result in an increase/decrease of approximately \$1,800 in the Company's pre-tax loss based on a March 31, 2017 exchange rate of \$1 U.S. dollar to \$1.3328 Canadian dollars.

Credit Risk

Credit risk arises from cash as well as credit exposures to counterparties of outstanding receivables and committed transactions. There is no concentration of credit risk other than on cash deposits and receivables. The Company's cash deposits are primarily held with a Canadian chartered bank. Further, receivables comprise amounts due from the federal government. Therefore, credit risk is considered low.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to pay obligations as they fall due. Financial liabilities, at March 31, 2017, included \$63,148 of accounts payable and accrued liabilities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Interest Rate Risk

When the Company has sufficient cash, it will invest in term deposits which can be reinvested without penalty after thirty days should interest rates rise. As at March 31, 2017 and 2016, the Company did not have any interest-bearing loans. Accordingly, the Company does not have significant interest rate risk.

Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. The Company relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. There has been no change in approach to managing capital in the past twelve months. Including the funds expected from the pending IPO, the Company believes it has sufficient capital to fund its administrative and exploration expenditures for the next twelve months.

The Company is not subject to externally imposed capital requirements as at March 31, 2017.

FINANCIAL INSTRUMENTS

Fair Values

The Company's financial instruments consist of cash, receivables, marketable securities, restricted cash, reclamation deposits and accounts payable and accrued liabilities. The Company recognizes cash at fair value with subsequent measurement depending on classification as described below. Classification of financial instruments depends on the purpose for which the financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments.

As at March 31, 2017 and 2016, the Company has made the following classifications for its financial instruments:

As at March 31, 2017	Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total
Cash	\$ -	\$ 425,478	\$ -	\$ 425,478
Restricted cash	-	23,000	-	23,000
Marketable securities	2,333	-	-	2,333
Accounts payable and accrued liabilities	-	-	(63,148)	(63,148)
Total	\$ 2,333	\$ 448,478	\$ (63,148)	\$ 387,663

As at March 31, 2016	Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total
Cash	\$ -	\$ 27,217	\$ -	\$ 27,217
Restricted cash	-	23,000	-	23,000
Marketable securities	3,733	-	-	3,733
Accounts payable and accrued liabilities	-	-	(30,962)	(30,962)
Total	\$ 3,733	\$ 50,217	\$ (30,962)	\$ 22,988

Reclamation bonds are classified as financial assets held-to-maturity.

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments which are measured using the fair value hierarchy include marketable securities and categorized as level 1.

The carrying values of receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

CASH

As at March 31, 2017, the Company had cash of \$425,478. Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with major Canadian financial institutions. Cash required for immediate operations is held in a chequing account and excess funds may be invested in accordance with the Company's capital resource objectives.

Cash used in Operating Activities

Cash used in operations was \$265,703 for the year ended March 31, 2017 (2016 - \$160,159) and represents expenditures primarily on mineral property exploration and general and administrative expenses for both periods.

Cash Used in Investing Activities

Cash used in investing activities for the year ended March 31, 2017 was \$60,749 compared to cash provided by investing activities of \$25,495 for the comparable period. Cash used in investing activities during the year ended March 31, 2017 included \$20,876 (2016 - \$11,127) related to acquisition of exploration and evaluation assets, \$37,873 (2016 - \$Nil) related to the purchase of equipment and deposits paid on pending equipment purchases, and \$2,000 (2016 - \$Nil) related to the purchase of reclamation bonds related to exploration permits, and \$Nil (2016 - \$36,622) in restricted cash released during the year from the use of partner advances.

Cash Generated by Financing Activities

Cash generated by financing activities for the year ended March 31, 2017 was \$724,713 (2016 - \$Nil) and consisted of \$761,885 received from the issuance of 7,618,850 common shares, less \$17,172 in share issuance costs, and \$20,000 paid towards the pending IPO.

SIGNIFICANT ACCOUNTING ESTIMATES AND CRITICAL JUDGEMENTS

The preparation of the financial statements for the years ended March 31, 2017 and 2016 in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant Accounting Estimates

Significant accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

Estimated useful lives of equipment

The estimated useful lives of equipment, which is included in the statements of financial position, will impact the amount and timing of the related amortization included in profit or loss.

Share-based compensation

The fair value of stock options issued are subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices and option life, changes in subjective input assumptions can materially affect the fair value estimate.

Recovery of deferred tax assets

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

Critical Accounting Judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Exploration and evaluation assets

Management is required to make judgments on the status of each mineral property and the future plans with respect to finding commercial reserves. The nature of exploration and evaluation activity is such that only a few projects are ultimately successful and some assets are likely to become impaired in future periods.

ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

The following standards and pronouncements have been issued by the IASB and have not yet been adopted by the Company. The Company is currently evaluating the impact the new and amended standards are expected to have on its financial statements.

IFRS 9, Financial Instruments ("IFRS 9"), addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. The new standard states that an entity choosing to measure a liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income or loss section of the entity's statement of comprehensive loss, rather than within profit or loss.

Additionally, IFRS 9 includes revised guidance related to derecognition of financial instruments. IFRS 9 applies to financial statements for annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 15 Revenue from Contracts with Customers ("IFRS 15") supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC 31 Revenue - Barter Transactions involving Advertising Services. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 16 Leases ("IFRS 16") specifies how an issuer will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is twelve months or less, or the underlying asset has an insignificant value. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Company entered into certain transactions with key management personnel, which the Company has defined as Officers and Directors of the Company. The aggregate value of these transactions and outstanding balances are as follows:

Year ended	March 31, 2017	March 31, 2016
<u>Consultant fees</u>		
Brad Peters, President	\$ 73,500	\$ 82,290
Rory Ritchie, Vice President, Exploration	54,000	83,100
<u>Management fees</u>		
Seabord Services Corp.*	34,800	37,600
<u>Share - based compensation</u>		
Brad Peters, President	1,857	3,572
Rory Ritchie, Vice President, Exploration	1,857	3,572
Doug Reed, Chief Financial Officer	743	1,429
Valerie Barlow, Former Corporate Secretary	-	1,372
	\$ 166,757	\$ 212,935

Amounts due to related parties as of March 31, 2017 and March 31, 2016 are as follows:

Related party liabilities	Items or services	March 31, 2017	March 31, 2016
Brad Peters, President	Management fees and reimbursable expenses	\$ 7,245	\$ 6,615
Rory Ritchie, Vice President, Exploration	Management fees and reimbursable expenses	9,360	6,930
Seabord Services Corp.*	Management fees and reimbursable expenses	-	3,045
		\$ 16,605	\$ 16,590

*Seabord Services Corp. ("Seabord") provides the following services: a Chief Financial Officer ("CFO"), a Corporate Secretary, accounting and administration staff, and office space to the Company. The CFO and Corporate Secretary are employees of Seabord and are not paid directly by the Company.

RISKS AND UNCERTAINTIES

Mineral Property Exploration and Mining Risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by

confirmation that option agreements, claims and leases are in good standing; and obtaining permits for drilling and other exploration activities. There can be additional risks involved in some countries where pending applications for claims or licenses can be affected by government changes to application procedures.

Some of the Company's mineral properties are located within or near local communities. In these areas, it may be necessary as a practical matter to negotiate surface access with these local communities. There can be no guarantee that, despite having the legal right to access a particular mineral property and carry on exploration activities, the Company will be able to negotiate a satisfactory agreement with any such existing land owners or communities for this access. Therefore, the Company or one of its joint venture partners may be unable to carry out exploration activities on a property. In those circumstances where access has been denied by a local community or land owner, the Company may need to rely on the assistance of local officials or the courts to gain access or it may be forced to abandon the property.

No Assurance of Titles or Borders

The acquisition of the right to exploit mineral properties is a very detailed and time consuming process. There can be no guarantee that the Company has acquired title to any such surface or mineral rights or that these rights will be obtained in the future. To the extent they are obtained, titles to the Company's surface rights or mineral properties may be challenged or impugned and title insurance is generally not available. The Company's mineral properties may be subject to prior unregistered agreements, transfers or claims and title may be affected by, among other things, undetected defects. Such third party claims could have a material adverse impact on the Company's operations.

Joint Venture Funding Risk

The Company's strategy includes seeking partners through joint ventures to fund exploration and project development. The main risk of this strategy is that funding partners may not be able to raise sufficient capital in order to satisfy exploration and other expenditure terms in a particular joint venture agreement. As a result, exploration and development of one or more of the Company's property interests may be delayed depending on whether the Company can find another partner or has enough capital resources to fund the exploration and development on its own.

Commodity Price Risk

The Company is exposed to commodity price risk. Declines in the market price of gold, base metals and other minerals may adversely affect the Company's ability to raise capital or attract joint venture partners in order to fund its on-going operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of one of its mineral properties to a third party.

Financing and Share Price Fluctuation Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its properties.

Securities markets can have periods of high price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as PEMC, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Political, Regulatory and Currency Risks

The Company is currently operating in a country that has a relatively stable political and regulatory environment. However, changing political initiatives may affect the regulatory environment in which the Company operates. The Company's equity financings are sourced in Canadian dollars.

Insured and Uninsured Risks

In the course of exploration, development and eventually metal production from mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labour disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and result in a decline in the value of the securities of the Company.

Environmental and Social Risks

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present. Social risks are generally low in the principal country of operation of the Company, but changing social expectations could add new layers of risk to the viability of exploration and development properties.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a

conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Key Personnel Risk

PEMC's success is dependent upon the performance of key personnel working in management and administrative capacities or as consultants. The loss of the services of senior management or key personnel could have a material and adverse effect on the Company, its business and results of operations.

Competition

The Company will compete with many companies and individuals that have substantially greater financial and technical resources than the Company does for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.

OUTSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of common shares and preferred shares without par value. As at the date of this MD&A, the Company has 19,793,850 common shares issued and outstanding. There are also 1,655,000 stock options outstanding with expiry dates ranging from May 27, 2020 to July 4, 2022.

SCHEDULE "D"

PACIFIC EMPIRE MINERALS CORP. (the "**Company**")

AUDIT COMMITTEE CHARTER

I. MANDATE

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

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

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three members, a majority of which shall be independent.

B. Qualifications

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

A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company.

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

C. Appointment and Removal

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

D. Chair

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

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

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

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

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

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

III. DUTIES

A. Introduction

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

also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

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

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

B. Powers and Responsibilities

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

Independence of Auditor

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

Performance & Completion by Auditor of its Work

- 5) Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
- 6) Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor.
- 7) Pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the Auditor unless such non-audit services:
 - (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of revenues paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;

- (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
- (c) are promptly brought to the attention of the Committee by Management and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Internal Financial Controls & Operations of the Company

- 8) Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

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

Public Disclosure by the Company

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

Manner of Carrying Out its Mandate

- 17) Consult, to the extent it deems necessary or appropriate, with the Auditor but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- 18) Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- 19) Meet, to the extent it deems necessary or appropriate, with management and the Auditor in separate executive sessions at least quarterly.
- 20) Have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other consultants to advise the Committee advisors.
- 21) Make regular reports to the Board.
- 22) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- 23) Annually review the Committee's own performance.
- 24) Provide an open avenue of communication among the Auditor the Board.
- 25) Not delegate these responsibilities other than to one or more independent members of the Committee the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

C. Limitation of Audit Committee's Role

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

Approved by the Board of Directors: June 19, 2017

CERTIFICATE OF THE COMPANY

Dated: August 25, 2017

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

“Brad Peters”

BRAD PETERS
Chief Executive Officer

“Douglas Reed”

DOUGLAS REED
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Larry Donaldson”

LARRY DONALDSON
Director

“Keith Henderson”

KEITH HENDERSON
Director

CERTIFICATE OF THE PROMOTERS

Dated: August 25, 2017

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

“Brad Peters”

BRAD PETERS

“Rory Ritchie”

RORY RITCHIE

CERTIFICATE OF THE AGENT

Dated: August 25, 2017

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

HAYWOOD SECURITIES INC.

“David Taylor”

DAVID TAYLOR

Associate Corporate Finance