

A copy of this preliminary prospectus has been filed with the securities regulatory authorities in British Columbia, Alberta, Manitoba, and Ontario but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus does not constitute a public offering of securities.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and except pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. Person (as that term is defined in Regulation S under the U.S. Securities Act). 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, any U.S. Persons.

PRELIMINARY PROSPECTUS

NEW ISSUE

August 13, 2019

TURMALINA METALS CORP.

14,000,000 Common Shares issuable upon deemed exercise of 14,000,000 outstanding Subscription Receipts

This prospectus (the "**Prospectus**") is being filed by Turmalina Metals Corp. ("**Turmalina**" or the "**Company**") with the securities regulatory authorities in the provinces of British Columbia, Alberta, Manitoba, and Ontario to qualify for distribution the common shares in the capital of the Company (the "**Qualified Shares**") issuable for no additional consideration upon deemed exercise of 14,000,000 subscription receipts of the Company (the "**Subscription Receipts**") issued on 14,000,000 at a price of \$0.50 (the "**Offering Price**") per Subscription Receipt to purchasers in certain provinces of Canada on a non-brokered private placement basis pursuant to prospectus exemptions under applicable securities legislation and in jurisdictions outside of Canada in compliance with laws applicable to each subscriber, respectively (the "**Private Placement**"). See "*Plan of Distribution*".

The Subscription Receipts are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the Common Shares.

The gross proceeds from the sale of the Subscription Receipts pursuant to the Private Placement in the amount of \$7,000,000 (the "**Escrowed Funds**") were deposited in escrow and are held by the Company in a separate interest-bearing account, with such Escrowed Funds not to be released until the satisfaction of the Escrow Release Conditions (as defined herein) at which time the balance of the Escrowed Funds together with interest earned thereon will be accessible by the Company. The Company will use the Escrowed Funds for sales and marketing, site development and maintenance, general, administrative and other costs and for general working capital purposes. See "*Use of Proceeds*".

The Subscription Receipts were issued by the Company at an issue price of \$0.50 per Subscription Receipt entitling the holder thereof to acquire, for no additional consideration, one Common Share pursuant to the terms and conditions in the Subscription Receipt Certificate (as defined herein). The conversion of the Subscription Receipts to Common Shares is anticipated to occur on the completion of certain conditions, specifically the Company obtaining final receipt for a prospectus filed in Canada, or four months and one day passing since the issue date of the Subscription Receipts.

There is no market through which the Subscription Receipts may be sold and purchasers may not be able to resell the Subscription Receipts acquired pursuant to the Private Placement. This may affect the pricing of the

securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See “Risk Factors”.

The Company has applied to list its Common Shares on the TSX Venture Exchange (the “TSXV”). The TSXV has not approved the listing of the Common Shares. Listing is subject to the Company fulfilling all of the listing requirements of the TSXV, including minimum listing requirements. There is no guarantee that the TSXV will provide approval for the listing of the Common Shares. The Common Shares have not been listed or quoted on any stock exchange or market.

An investment in Common Shares of the Company is highly speculative due to various factors, including the nature and stage of development of the business of the Company. An investment in these securities should only be made by persons who can afford the total loss of their investment. See “Risk Factors”.

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Qualified Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Qualified Shares.

Prospective investors should rely only on the information contained in this Prospectus. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company’s business, financial condition, results of operations and prospects may have changed since that date.

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

Mr. Francisco Azvedo a director and Vice President (Business Development) of the Company, Miguel Inchaustegui, a director of the Company, and Aurora Mining SA are incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or reside outside of Canada. Mr. Azvedo, Mr. Inchaustegui, and Aurora Mining SA have appointed the following agent for service of process:

Name of Agent	Address of Agent
McMillan LLP	Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See “Agent for Service of Process”.

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

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GLOSSARY

The following is a glossary of certain general terms used in this Prospectus, including the summary hereof. Terms and abbreviations used in the financial statements and management's discussion and analysis included in, or appended to this Prospectus are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

“\$” means Canadian dollars.

“**Affiliate**” means a company that is affiliated with another company as described below:

A company is an “Affiliate” of another company if:

- (a) one of them is the subsidiary of the other; or
- (b) each of them is controlled by the same Person;

A company is “controlled” by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company;

A Person beneficially owns securities that are beneficially owned by:

- (a) a Company controlled by that Person, or
- (b) an Affiliate of that Person, or
- (c) an Affiliate of any Company controlled by that Person.

“**Applicable Securities Law**” means applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders having the force of law, in force from time to time.

“**Audit Committee**” means the audit committee of the Company.

“**Audit Committee Charter**” means the Audit Committee's Charter, attached hereto as Schedule E.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended, together with all regulations promulgated thereto.

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

“**Business Day**” means a day other than Saturday, Sunday or a statutory holiday in British Columbia, Canada.

“**Canchaque Project**” means the mineral exploration project located in Peru, which the Company has an option to acquire by making certain payments and incurring exploration expenditures, which in the aggregate amount to US\$7.4 million in installment payments payable on March 9 and September 9 of each year until 2023. For the purposes of the option payments, the Canadian dollar to U.S. dollar exchange rate is deemed to be CAD\$1.3 to US\$1.

“**CEO**” means Chief Executive Officer.

“**CFO**” means Chief Financial Officer.

“**Claims**” means the six mining claims comprising the San Francisco Project, located in San Juan Province, Argentina.

“**Common Share**” means a common share in the capital of the Company.

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

“**Company**” or “**Turmalina**” means Turmalina Metals Corp., a company organized under the laws of British Columbia.

“**Consolidation**” means the consolidation of the Common Shares of the Company on the basis of one post-Consolidation Common Shares for every two point five (2.5) pre-Consolidation Common Shares, having taken place on November 9, 2018.

“**Escrow Deadline**” means 120 days following the closing of the Private Placement.

“**Escrow Release Conditions**” means the conditions required for the Escrowed Funds to be released to the Company, which are conditional approval from the TSXV to list the Common Shares and either, the Company obtaining final receipt for a prospectus filed in Canada, or four months and one day passing since the issue date of the Subscription Receipts.

“**Escrowed Funds**” has the meaning set forth on the face page of this Prospectus.

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

“**Finder’s Warrants**” means share purchase warrants exercisable to acquire Common Shares and issued to certain finders.

“**IFRS**” means the International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee.

“**Listing**” means the listing of the Common Shares on the TSXV.

“**MD&A**” means management’s discussion and analysis of financial condition and operating results.

“**Named Executive Officer**” or “**NEO**” means:

- (d) the CEO, or comparable position;
- (e) the CFO, or comparable position;
- (f) each of the issuer’s three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus, individually, exceeds CAD\$150,000 per year; or
- (g) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the issuer at the end of the most recently completed financial year.

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators.

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, of the Canadian Securities Administrators.

“**NI 45-102**” means National Instrument 45-102 – *Resale of Securities*, of the Canadian Securities Administrators.

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

“**Option Agreements**” means each of the exploration agreement dated September 24, 2018 between the Petra Gold Group and Turmalina, pursuant to which Turmalina has an option to purchase a portion of the San Francisco Project through the completion of certain conditions, and the exploration agreement dated September 24, 2018 between Anitilde Irene Bertagni and Turmalina, pursuant to which Turmalina has an option to purchase the remainder of the

San Francisco Project known as the San Francisco De Los Andes and Jose Mario tenements, through the completion of certain conditions.

“**Option Plan**” means the Company’s stock option plan dated for reference May 15, 2019.

“**Optionor**” means any of the Petra Gold Group, Cerro Negro SRL, and Mr. Ricardo Meritello, and “**Optionors**” refers to two or more of them, as context requires.

“**Person**” means a company or individual.

“**Petra**”, “**Petra Gold**”, or the “**Petra Gold Group**” means Petra Gold Servicos Financeiros SA and its related entities.

“**Private Placement**” means the non-brokered private placement of the Company of 14,000,000 Subscription Receipts which was completed on July 31, 2019, and which will result (subject to the satisfaction of the Escrow Release Conditions) in the deemed exercise of Subscription Receipts into Common Shares.

“**Principal Regulator**” means the British Columbia Securities Commission.

“**Promoter**” means (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or company does not otherwise take part in founding, organizing, or substantially reorganizing the business.

“**Project**” or “**San Francisco Project**” means the San Francisco Copper Gold Project, located in San Juan Province, Argentina, as more particularly described under “*Narrative Description of the Business*”.

“**Qualified Shares**” has the meaning set forth on the face page of this Prospectus.

“**Release Date**” means the date on which the Subscription Receipt Agent receives the release notice executed by the Company.

“**Qualified Shares**” means the 14,000,000 Common Shares of the Company issued on exercise or deemed exercise of the Subscription Receipts, qualified under this Prospectus.

“**Regulation S**” means Regulation S promulgated under the U.S. Securities Act.

“**Regulation D**” means Regulation D promulgated under the U.S. Securities Act.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval maintained by the Canadian Securities Administrators.

“**Shareholders**” means holders of Common Shares.

“**Subscription Receiptholder**” means holders of Subscription Receipts.

“**Subscription Receipts**” means the subscription receipts issued by the Company at an issue price of \$0.50 per Subscription Receipt, pursuant to the Private Placement, each of which entitles the holder thereof to acquire, for no additional consideration, one Common Share pursuant to the terms and conditions in the Subscription Receipt Certificate.

“**Subscription Receipt Certificate**” means a certificate representing Subscription Receipts.

“**Subscription Receipt Exercise Date**” means the date the Subscription Receipts are deemed to have been exercised into one Common Share.

“**Technical Report**” means the technical report prepared pursuant to NI 43-101 and titled “Technical Report, San Francisco Copper Gold Project, San Juan Province, Argentina” dated August 1, 2019 and prepared by Neil Motton of Flitegold (Australia) Pty Ltd.

“**Transfer Agent**” means the transfer agent and registrar of the Company, being Odyssey Trust Company.

“**USD\$**” means United States dollars.

“**United States**” or “**U.S.**” means the United States of America, its territories or its possessions, any state of the United States or the District of Columbia.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

GLOSSARY OF TECHNICAL TERMS

“**<**” means less than.

“**>**” means greater than.

“**AAS**” means Atomic Absorption Spectroscopy.

“**Ag**” is the symbol for the element silver.

“**Assay**” is the chemical test performed on a sample of ores or minerals to determine the amount of valuable metals contained.

“**Au**” is the symbol for the element gold.

“**Bi**” is the symbol for the element bismuth.

“**Breccia**” is a rock composed of broken fragments of minerals or rock cemented together by a fine-grained matrix that can be similar to or different from the composition of the fragments.

“**CIM**” means the Canadian Institute of Mining, Metallurgy, and Petroleum.

“**Cm**” means centimetres.

“**Cu**” is the symbol for the element copper.

“**Deposit**” is an informal term for an accumulation of mineralization or other valuable earth material of any origin.

“**Dip**” is the angle at which a vein, structure or rock bed is inclined from the horizontal as measured at right angles to the strike.

“**Fault**” is a break in the Earth’s crust caused by tectonic forces which have moved the rock on one side with respect to the other.

“**g/t**” means grams per Metric Ton.

“**Grade**” is a term used to indicate the concentration of an economically desirable mineral or element in its host rock as a function of its relative mass. With gold, this term may be expressed as grams per tonne (g/t) or ounces per tonne (opt).

“**ground magnetics**” is a ground-based survey technique that measures the variation in the earth’s magnetic field and is a response to local rock iron content.

“**Ha**” means hectares.

“**High Grade**” means rich mineralization or ore. As a verb, it refers to selective mining of the best ore in a deposit.

“**Intrusive**” is a body of igneous rock formed by the consolidation of magma intruded into other rock type.

“**IP**” means Induced Polarization Survey, an electrical geophysical technique.

“**Kg**” means kilograms.

“**Km**” means kilometres.

“**LG**” means low grade, as in the lower grade gold portion of a process stream.

“**m**” means meters.

“**M**” means million.

“**Mineral**” is a naturally occurring homogeneous substance having definite physical properties and chemical composition and, if formed under favourable conditions, a definite crystal form.

“**mm**” means millimeters.

“**mt**” or “**t**” means metric tonnes.

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

“**oz**” or “**tr oz**” means troy ounces.

“**Pb**” is the chemical symbol for the metal lead.

“**ppb**” means parts per billion.

“**ppm**” means parts per million.

“**RC**” means Reverse Circulation Drilling.

“**Sulphide**” is a group of minerals which contains Sulphur and other metallic elements such as copper and zinc. Gold and silver are usually associated with sulphide enrichment in mineral deposits.

“**Ton**” or “**Tonne**” means a metric ton of 1,000 kilograms (2,205 pounds).

“**tourmaline**” is a crystalline boron silicate mineral compounded with elements such as aluminium, iron, magnesium, sodium, lithium, or potassium.

“**Vein**” is a fissure, fault or crack in a rock filled by minerals that have travelled upwards or laterally from a deep source.

“**Waste**” means unmineralized, or rock which is insufficiently mineralized to mine at profit. XRD

“**Zn**” is the chemical symbol for the metal zinc.

“**Zone**” is an area of distinct mineralization.

CURRENCY PRESENTATION

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

NOTE REGARDING FORWARD-LOOKING INFORMATION

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

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

- the Company's intention to complete the listing of the Common Shares on the TSXV;
- the conversion of the Subscription Receipts and the release of Escrowed Funds to the Company;
- the Company's business plans focussed on the exploration and development of the Property;
- the proposed work program on the Property;
- costs and timing of future exploration and development activities;
- timing and receipt of approvals, consents and permits under applicable legislation;
- use of available funds, including the proceeds of the Offering and the costs of the Offering;
- business objectives and milestones; and
- adequacy of financial resources.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed elsewhere herein and any other of the Company's concurrent public filings, and include the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to equity and debt markets and associated costs of funds, availability of a qualified work force, and the ultimate ability to mine, process and sell mineral products on economically favourable terms, that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis, that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions, that any environmental and other proceedings or disputes are satisfactorily resolved, and that the Company maintains its ongoing relations with its business partners and governmental authorities. While the Company considers these material factors and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See "Risk Factors".

For the reasons set forth above, investors should not place undue reliance on forward looking statements. This Prospectus includes many cautionary statements, including those stated under the heading "Risk Factors". You should read these cautionary statements as being applicable to all related forward-looking statements wherever they appear in this Prospectus.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Company: Turmalina is a company incorporated under the BCBCA. See “*Corporate Structure*”.

Business of the Company: The Company is a mineral resource company principally engaged in the acquiring and exploring mineral resource properties. Its objective is to locate and develop precious and base metals, focusing initially on the exploration and development of the San Francisco Project, located in San Juan Province, Argentina. The Company holds an option to acquire up to a 100% interest in three properties, including the San Francisco Project, as well as the Canchaque Project in Peru, by making payments and incurring exploration expenditures and drilling in accordance with the terms of each option agreement. Of such mineral exploration projects, the Company’s focus is on the San Francisco Project, and the majority of its managerial efforts and costs in the period following Listing are expected to be in connection with the San Francisco Project. See “*Narrative Description of the Business*”.

The Private Placement: Pursuant to the Private Placement, the Company issued 14,000,000 Subscription Receipts for gross proceeds of \$7,000,000 on July 31, 2019. Each Subscription Receipt will be deemed exercised for one Common Share upon satisfaction of the Escrow Release Conditions. The gross proceeds from the Private Placement have been deposited in escrow pursuant to the Escrow Agreements and will be released upon satisfaction of the Escrow Release Conditions. See “*Plan of Distribution*” and “*Description of Securities Distributed*”.

Use of Proceeds: *Funds Available*

Source of funds	Amount
Estimated consolidated working capital as at July 31, 2019	\$827,000
Estimated listing transaction costs	\$(250,000)
Net proceeds from Private Placement	\$6,580,000
Total funds available	\$7,157,000

Principal Purposes

The following table sets out how the Company expects to use the funds available to it after completion of the distribution.

Use of funds available after completion of distribution	Amount
Exploration and Development of the San Francisco Project	\$2,627,068
Payments pursuant to Option Agreements	\$419,200
Sales and Marketing	\$450,000
General and Administrative Expenses	\$1,572,000
Unallocated General Working Capital	\$2,088,732
TOTAL	\$7,157,000

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives. See “*Use of Available Funds*”.

Directors and Officers of the Company: Rohan Wolfe, Chief Executive Officer and director
 Bryan Slusarchuk, President and director
 Jonathan Richards, Chief Financial Officer and Corporate Secretary
 Francisco Azevedo, Vice President (Business Development) and director

Mark Eaton, director
Miguel Inchaustegui, director

See “*Directors and Executive Officers*”.

Financial Information:

The following table sets forth summary financial information of the Company from the audited financial statements for the period from incorporation on March 21, 2017 December 31, 2017, for the year ended December 31, 2018 and from the unaudited financial statements for the three months ended March 31, 2019. This summary financial information should only be read in conjunction with the Company’s audited financial statements, including the notes thereto, included in Schedule “A” to this Prospectus.

	As at and for the three months ended March 31, 2019 (unaudited)	As at December 31, 2018 and for the year ended December 31, 2018 (audited)	As at December 31, 2017 and for the period from incorporation on March 21, 2017 to December 31, 2018 (audited)
Net loss for the period	\$(398,651)	\$(927,140)	\$(1,501,136)
Cash	\$589,012	\$22,965	\$79,051
Total assets	\$743,601	\$101,750	\$79,291
Total liabilities	\$86,776	\$318,774	\$130,427
Total shareholders’ equity (deficiency)	\$656,825	\$(217,024)	\$(51,136)

See “*Selected Financial Information and Management’s Discussion and Analysis*.”

Risk Factors:

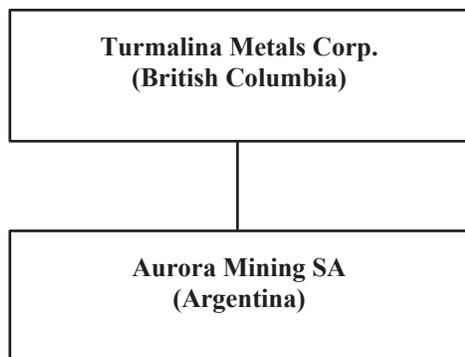
Due to the nature of the Company’s business and the present stage of development of its business, the Company is subject to significant risks. Readers should carefully consider all such risks. Risk factors include, but are not limited to the rights under the Option Agreements being dependent on continued compliance with the Option Agreements, insufficient capital risk, financing risks, the Company having a limited operating history and negative operating cashflow, the continued operations of the Company being dependent on procuring additional financing, exploration and development risks, risks associated with operating in a foreign jurisdiction, and others. For a detailed description of these and other risks see “*Risk Factors*”.

CORPORATE STRUCTURE

The Company was incorporated under the BCBCA on March 21, 2017 under the name “1112002 B.C. Ltd.”. On July 25, 2018, the Company changed its name to “Turmalina Copper Corp.” and on June 24, 2019 the Company changed its name to Turmalina Metals Corp.

The head office of the Company is located at 400-850 West Hastings Street, Vancouver, British Columbia, V6C 1E1. The registered and records office of the Company is located at Suite 1500 – 1055 West Georgia Street, PO Box 11117, Vancouver, British Columbia V6E 4N7.

The Company has one wholly owned subsidiary, Aurora Mining SA, resident in Argentina.



GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY

Description of the Business

The principal business carried on and intended to be carried on by the Company is mineral exploration, focusing initially on the exploration and development of the Company’s principal property, consisting of the Claims that make up the Project. The Company will continue to consider other opportunities as they arise and may also conduct exploration activities on secondary properties in respect of which the Company has certain rights, including the Canchaque Project.

Competitive Conditions

The Company competes with other entities in the search for and acquisition of mineral properties. As a result of this competition, the majority of which is with companies with greater financial resources, the Company may be unable to acquire attractive properties in the future on terms it considers acceptable. The Company also competes for financing with other resource companies, many of whom have more advanced properties. There is no assurance that additional capital or other types of financing will be available to the Company if needed or that, if available, the terms of such financing will be favourable to the Company. See “*Risk Factors*”.

History

Financings

On May 19, 2017, the Company complete a distribution of founder’s Common Shares at a price of \$0.0001 on a pre-Consolidation basis, issuing 19,250,000 Common Shares, which were subsequently consolidated to 7,700,000 Common Shares issued at an adjusted price of \$0.00025.

On June 20, 2017, the Company completed a private placement issuing 5,750,000 Common Shares at an issue price of \$0.05 per Common Share for gross aggregate proceeds of \$287,500. On December 5, 2017, the Company completed a second private placement at the same issue price, issuing 4,200,000 Common Shares for gross aggregate

proceeds of \$210,000. On April 30, 2018, the Company completed a third private placement of Common Shares, issuing 4,700,000 Common Shares for gross aggregate proceeds of \$235,000. The fourth private placement at an issue price of \$0.05 occurred on July 31, 2018, pursuant to which the Company issued 1,800,000 Common Shares for gross aggregate proceeds of \$90,000. The final private placement at an issue price of \$0.05 occurred on October 25, 2018, pursuant to which the Company issued 5,000,000 Common Shares for gross aggregate proceeds of \$250,000. Subsequent to the completion of each of the foregoing five private placements, the Company completed the Consolidation, such that the issue price of the Common Shares issued pursuant to the same was adjusted to \$0.125, and the number of Common Shares issued and outstanding pursuant to such placements is 8,580,000.

After completion of the Consolidation, the Company completed a private placement, including several debt settlements, in tranches at an issue price of \$0.125, pursuant to which an aggregate of 13,325,000 Common Shares of the Company were issued between November 7, 2018 and April 5, 2019, valued at \$1,665,625.

On April 17, 2019, the Company completed a private placement in tranches and issued 4,975,000 Common Shares at an issue price of \$0.25 for gross proceeds of \$1,243,750, and on May 9, 2019, the Company a further 2,590,000 Common Shares at an issue price of \$0.25 for gross proceeds of \$647,500.

On July 31, 2019, the Company completed the Private Placement of Subscription Receipts at a price of \$0.50 per Subscription Receipt for aggregate gross proceeds of \$7,000,000 and issued 14,000,000 Subscription Receipts. Each Subscription Receipt entitles the holder thereof to receive, without payment of any further consideration, one Common Share upon the satisfaction of the Escrow Release Conditions.

The Escrowed Funds have been deposited into an interest-bearing escrow account, releasable to the Company upon the satisfaction of the Escrow Release Conditions, including the Company obtaining the receipt for the final prospectus. In the event that the Escrow Release Conditions are not satisfied, the Subscription Receipts will immediately become null, void and of no further force or effect and, as soon as reasonably possible, and in any event within ten (10) business days following the Escrow Deadline, the Escrowed Proceeds will be returned to the holders of Subscription Receipts in an amount per Subscription Receipt equal to: (i) the Escrowed Proceeds; and (ii) interest, if any, actually earned thereon to the date of the Escrow Deadline (less any applicable holdings taxes). See “*Plan of Distribution*” and “*Description of Securities Distributed*”.

Consolidation

During the year ended December 31, 2018, the Company completed the Consolidation, pursuant to which the issued and outstanding Common Shares of the Company were consolidated on the basis of one new Common Share for every two point five (2.5) old Common Shares.

Acquisition of the Project

The Company holds an option to acquire a 100% interest in the Project through two Option Agreements entered into in September 2018. The Company entered into an agreement with the Petra Gold Group in September 2018 that provided for exploration obligations with a purchase option to the benefit of the Company, requiring 7,000 meters of drilling and US\$1,050,000 spent over four years in addition to annual option payments, amounting to a total of US\$1,460,000 in required spending over four years to fully acquire the tenements held by the Petra Gold group, as follows:

Date	Cash Payments US\$	Minimum Exploration Expenditures
Signing Date (September 24, 2018)	US\$ 40,000.00 (Paid)	
September 24, 2019	US\$ 70,000.00	US\$ 300,000.00 (completed)
September 24, 2020	US\$ 100,000.00	3,000 meters

September 24, 2021	US\$ 250,000.00	4,000 meters
September 24, 2022	US\$ 1,000,000.00	US\$750,000.00
TOTALS:	US\$ 1,460,000.00	US\$ 1,050,000.00 and 7,000 meters

In addition, the Company entered into an agreement with the owners of the San Francisco De Los Andes and Jose Mario tenements in September of 2018, which also provided an option to the benefit of the Company. This subsequent agreement required US\$2,050,000 to be spent over four years as well as annual option payments amounting to an additional US\$1,445,000 over four years, to acquire the respective tenements, as follows:

Date	Cash Payments US\$	Minimum Exploration Expenditures
Signing Date (September 25, 2018)	US\$ 15,000.00 (Paid)	Nil
Upon receiving approval of Environmental Impact Statement	US\$ 30,000.00 (Paid)	Nil
September 25, 2019	US\$ 50,000.00	US\$ 300,000.00 (completed)
September 25, 2020	US\$ 100,000.00	US\$500,000
September 25, 2021	US\$ 250,000.00	US\$500,000
September 25, 2022	US\$ 1,000,000.00	US\$750,000.00
TOTALS:	US\$ 1,445,000.00	US\$ 2,050,000

Business Cycle

The Company is an exploration and evaluation stage company, focused on mining. As a result, prices of mineral and other metals will have a direct impact on our business. Declining prices can, for example, impact operations by requiring a re-assessment of the feasibility of a particular project, and they can also impact our ability to raise capital. See “*Risk Factors*”.

Environmental Policies

We will conduct our activities in accordance with high environmental standards, including compliance with environmental laws, policies and regulations. During our exploration activities we plan to minimize environmental impacts by rehabilitating drill-sites and access roads.

DETAILS OF THE SAN FRANCISCO PROJECT

The following details with respect to the Company’s principal property, being the San Francisco Project, are derived from the NI 43-101 Technical Report titled “NI 43-101 Technical Report, San Francisco Copper Gold Project, San Juan Province, Argentina” dated August 1, 2019 and prepared by Neil Motton of Flitegold (Australia) Pty Ltd.,

released by the Company on August 13, 2019. Readers are encouraged to consult the Technical Report for additional information.

The Company acquired rights in respect of the Project through the Option Agreements entered into in September 2018. The Company entered into an agreement with the Petra Gold Group in September 2018 that provided for exploration obligations with a purchase option to the benefit of the Company, requiring 7,000 meters of drilling and US\$1,050,000 spent over four years in addition to annual option payments, amounting to a total of US\$1,460,000 in required spending over four years to fully acquire the tenements held by the Petra Gold group. In addition, the Company entered into an agreement with the owners of the San Francisco De Los Andes and Jose Mario tenements in September of 2018, which also provided an option to the benefit of the Company. This subsequent agreement required US\$2,050,000 to be spent over four years as well as the completion of an additional 7,000 meters of drilling and annual option payments amounting to an additional US\$1,445,000 over four years, to acquire the respective tenements. See the subheading “Acquisition of the Project” under the heading “General Description of the Business”.

Property Description, Location and Access

The Project is located in the Calingasta Department in the west-central San Juan Province of Argentina, approximately 130 km northwest from the capital of San Juan and 55 km north-northwest from the town of Calingasta at approximately 30° 50' S, 69° 36' W (See Figure 1). This map was originally compiled by the Instituto Geografico Nacional of Argentina and was sourced from the San Juan Tourism authority and is undated but considered to be accurate.



Figure 1: San Francisco Project location and access map.

The Project is a 3,399-hectare property located in San Juan Province, Argentina within the Frontal Cordillera mountain chain. The San Francisco Project is comprised of two separate sets of tenements, comprising of six mining claims, that have been farmed in to by Turmalina. The smaller group of tenements comprised of 24 hectares and covers the old San Francisco de los Andes mine and the surrounding regional tenements of 3375 hectares owned by the Petra Gold Group. Table 1 indicates the tenements that comprise the San Francisco Project.

Tenement	Current Owner	Area (ha)	Legal Status
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MD “CUPRO I (File N° 545.630-P-94)	Petra Gold SM SRL & associates	1440	Application date June 1, 1994. Concession for exploitation right granted 22/3/2005. EIA submitted 21/01/2019. Canon payment due June 30, 2019 of USD\$556.80 (ARS 24,000) and six monthly thereafter.
MD “CUPRO II (File N° 545.631-P-94)	Petra Gold SM SRL & associates	1247	Application date June 1, 1994. Concession for exploitation right granted 17/05/2011. EIA submitted 21/01/2019. Canon payment due June 30, 2019 of USD\$482.56 (ARS 20,800) and six monthly thereafter.
MD “SOLITARIO II (File N° 0258-C-96)	Petra Gold SM SRL & associates	303.9	Application date 15/5/1996. Exploitation permit application in preliminary stage & is therefore not yet granted
CATEO 1124.191-P-2018	Petra Gold SM SRL	482.3	Application date 18/5/2018. Exploration permit application in preliminary stage & is therefore not yet granted.
Excised area (prior claims)		73.84	
		3399.36	
Including;			
MD “SAN FRANCISCO DE LOS ANDES (File N°271-M-1941)	Anatilde Irene Bertagni	18	Application date 31/10/1941. Concession granted 13/11/1941. EIA submitted 03/12/2018. Canon payment due June 30, 2019 of USD\$11.14 (ARS 480) and six monthly thereafter.
ESTACA MINA “JOSE MARIO” (File N°156.884-L-73)	Anatilde Irene Bertagni	6	Application date 7/9/1973. Concession granted 11/04/1975. EIA submitted 03/12/2018. Canon payment due June 30, 2019 of USD\$3.71 (ARS 160) and six monthly thereafter.
ESTACA MINA “HUGO MIGUEL” (FILE N° 156.883-L-73)		6	Expired, now part of Cupro II

Table 1: List of tenements comprising the San Francisco Project.

History

The San Francisco Project has evidence of historic mineral development dating from the 1940's. The two largest mines are the San Francisco de Los Andes (San Francisco) and Amancay mines. San Francisco operated from 1941 to 1980 and produced 2420 tons of material grading 6-7% copper and 1.43% bismuth¹. Compania Minera Aguilar evaluated the San Francisco mine, through underground development, mapping, sampling and drilling as outlined below in Figure 2². Compania Minera Aguilar considered that a 35m thick copper, gold, silver, lead and zinc supergene deposit was likely to occur based on the drilling and underground sampling they carried out. Turmalina carried out resampling of the original drill core from two of the holes, which has shown that the assay technique used by Minera Aguilar was unreliable, therefore any previous resource estimate based upon this information would not have been valid.

A qualified person has not done sufficient work to create a valid resource estimate and Turmalina is treating the previous historic data as being significant only in terms of evidence of the presence of high-grade mineralization. In order to create a valid resource estimate all of the original historic drilling and underground sampling work would need to be either re-drilled and re-sampled or where core is available, re-sampled and assayed, plus additional drilling would need to be carried out to validate the 35m supergene interpretation.

¹ Lara, R. 2006. San Francisco exploration target, Cerro Negro de la Cortadera project. Petra Gold Internal Report. 37p.

² Lecinas, A. 1990. “The report on the exploration performed at San Francisco mine by Compania Minera Aguilar SA in 1990” [Lecinas].

No published information is available on the Amancay mine production, but the size and type of workings indicate a similar small tonnage-high grade operation. There are numerous other small prospect pits and exploratory adits on the Project³.

During the later production phase of the San Francisco mine Mr Jose Mario Leonardi had a small processing plant at the nearby river where they extracted a crude copper & bismuth concentrate. A laboratory and processing plant were also operated by the company, in San Juan. This is where the drill core is currently stored.

Two vertical holes were drilled prior to 1990, by the Argentinian Mines Department, at San Francisco mine for a total of 320 meters, as outlined below in Figure 2. In 1990, Minera Aguilar carried out a drilling program on its San Francisco mine, with seven holes drilled for 421.6 meters.

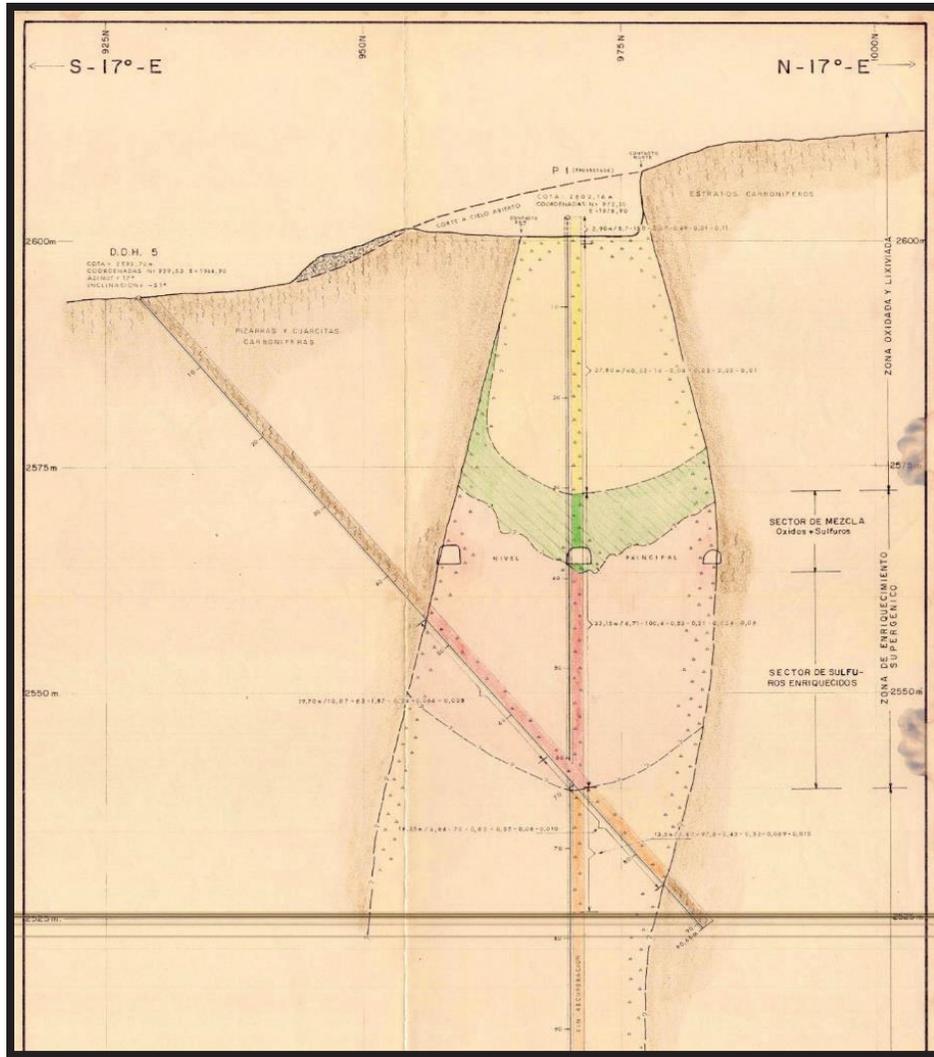


Figure 2: Historical Geological interpreted drill section of the San Francisco mine obtained from “The report on the exploration performed at San Francisco mine by Compania Minera Aguilar SA in 1990” by Lencinas, A., discussed more particularly in the Technical Report.

³ Wyck, N.V. 2008, 43-101 report for TNR Gold Corp. on the El Tapau prospect area, San Juan Province, Argentina [Wyck].

In 1995, it appears Compañia Minera Solitario Argentina, farmed the project to Denver-based Crown Resources Corporation, which conducted a Project-wide geochemical survey consisting of 205 widely spaced samples. An induced polarization survey was run in the northern half of the Solitario II claim block and five reverse circulation percussion drill holes were conducted for a total meterage of 632 meters designated CN-95 series⁴. The objectives of the drilling campaign were to evaluate the copper porphyry potential associated with a group of tourmaline-breccia pipes located in the northern Solitario claim and further north. At the time of the drilling campaign the company believed that the tourmaline breccias were surface expressions of deeper porphyry copper deposits. Two holes were drilled at the main Chorrillos breccia pipe, and the other three holes were drilled on three separate nearby breccia pipes⁵ (See Figure 3).

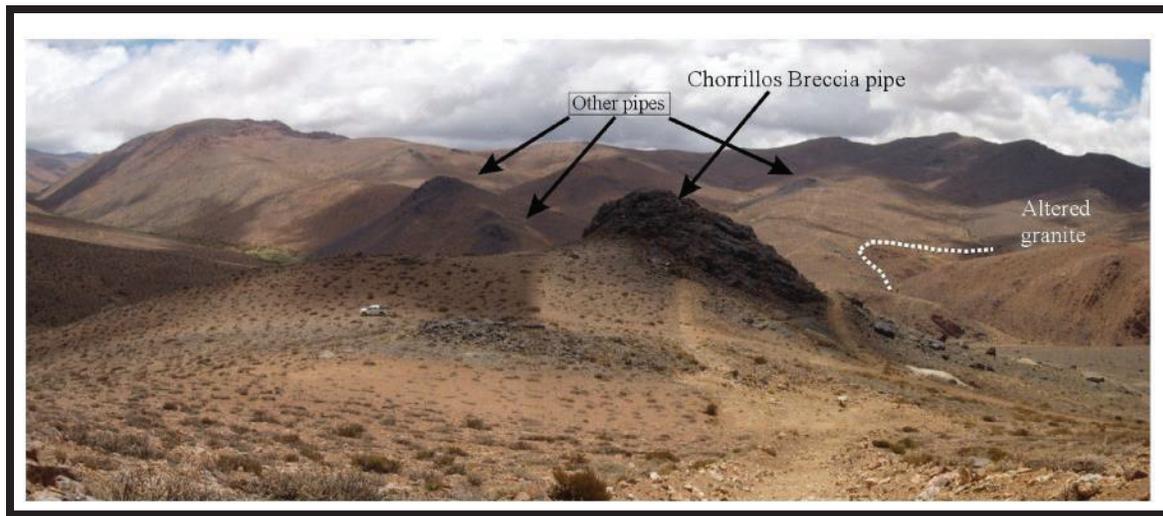


Figure 3: Photo of the Chorrillos prospect looking north.

The oldest report⁶ summarized the results of exploration for Solitario Resources. This phase of exploration consisted of five drill holes, four of which are now included in the current claim block. Following this work, no further studies were performed and the property was allowed to lapse. This report is not available.

In 2005 a smaller claim block was reacquired and a new exploration model proposed Lara in his 2006 report, which isn't available.

Buenaventura, an exploration group independent of TNR Gold Corp., spent two weeks exploring the claim block and produced a thorough report⁷, consisting of 41 pages of text, maps and figures with assay results from 416 rock and soil samples. This report and database information are available.

There have been two geophysical surveys over the project area; an earlier IP and ground magnetometer survey by Quantec Geophysics⁸, and a second 3-DIP geophysical survey was completed by SJ Geophysics⁹ at the request of TNR Gold Corp. None of the geophysics reports are currently available.

⁴ Drinkard, M. 1996. Cerro Negro Program Evaluation, Compañia Minera Solitario Argentina S.A., Unpublished Internal Report, 5p. [Drinkard].

⁵Wyck, supra note 3.

⁶ Drinkard, supra note 4.

⁷ Buenaventura Compañia de Minas, 2007, Preliminary Report on El Tapau Project, San Juan Province, Argentina. No author supplied.

⁸ Jones, C. 1996. Logistics report on induced polarization/resistivity survey and total field ground magnetics survey at the Cerro Negro project, San Juan province, Argentina for Minera Solitario Argentina Limitada. 16p.

⁹ Chen, B. 2008. Geophysical report 3D induced polarization on San Francisco project for Turmalina CopperCorp. May 2008 25p. [Chen].

In 2005, Petra and a local geologist acquired part of the original property from the Pinto family, Tersusi and Weidman group. These tenements form the majority of the current San Francisco Project and the claim blocks contain a considerable number of tourmaline breccia outcrops, that are presumed to be pipes, including the areas with the best drill intercepts described by Solitario.

In 2006, Petra conducted a sampling program in the central part of the Project on a series of structurally controlled, east- to northeast-striking tabular quartz veins. The sampling program delineated an area of 2500 m by 1000 m where quartz veins returned gold mineralization averaging 2.23 g/t, and individual samples were reported to contain up to 19.7 g/t gold and 555 ppm silver.

TNR Gold Corp. appears to have purchased Compania Minera Solitario de Argentina S.A. from Solitario Resources Corporation (currently Solitario Zinc Corp.), pursuant to an agreement dated May 28, 1998. Roberto Lara graduated from Universidad Nacional de San Juan in geology and has been involved in the mining industry in South America since 1988, mainly in the province of San Juan, Argentina. He previously was chief geologist for Crown Resources USA and consulted to numerous resource companies. Presently Mr. Lara is Vice President of Compañia Minera Solitario Argentina S.A., TNR Gold Corp.'s 100% subsidiary.

In June 2007, TNR Gold Corp.'s subsidiary Solitario hired a consulting geologist to perform a reconnaissance mapping and sampling program to evaluate the economic potential of the Project¹⁰. Results of this work returned highly anomalous gold and base metal values and confirmed the results reported by Petra in 2006.

On August 30th 2007, TNR Gold Corp. announced that it has signed an option agreement to acquire a 70% interest in the El Tapau property, as the San Francisco Project was then known.

“TNR personnel recently completed a reconnaissance trip to the Project in order to evaluate its mineral potential and design a program for further exploration. The Tapau claim contains veins and porphyry style stockwork that are mineralized with gold and copper. Initial investigations indicate a large mineralized system situated below the auriferous veins found in the northeast part of the claims. Systematic rock chip (157 samples) along this zone, over an area of 600m long by 400m wide, has yielded gold values ranging from trace to 19 g/tonne with the average value being 2.2 g/tonne. Sample analysis was done by Alex Stewart Assayers, Argentina S.A. Numerous historical underground copper mines are located on the claim, and quartz stockwork zones are common throughout the project area. Historical IP done by Quantec indicates a strong large chargeability high, approximately 1.5 km by 2.0 km (east-west) in extent, underling this area, and is open to the west.”

TNR Gold Corp. has agreed to make payments totalling \$1,000,000 to Petra Gold over a five-year period and commit to work expenditures totalling \$3,000,000 over a four-year period. Petra Gold maintains a 2% net smelter royalty purchasable by TNR for \$2,000,000.”¹¹

This work was followed by a 3D IP survey on the Project in November-December 2007¹².

In 2008, a drilling program was conducted by Petra with seven diamond drill holes (ET08 series) being drilled at various locations. The first two holes were drilled at the Chorrillos tourmaline breccia prospect in the northern Solitario tenement. These holes were carried out as follow up to the drilling conducted by Solitario in 1995. A third hole was drilled 900m southeast of the San Francisco mine at an unknown target and the remaining four holes were drilled at the Quebrada Seca prospect where the soil and rock chip sampling of 2005 to 2007 had been encouraging. The Quebrada Seca four holes appear to target the various east west striking quartz veins prevalent in the area. The best results were recorded in the first hole at the Chorrillos tourmaline breccia with 48.0m intersecting 0.63% Cu from

¹⁰ Osmani, I.A. 2008. Compilation and Evaluation Report: San Francisco Property, Calingasta Department, West-central San Juan Province, Argentina; TNR Gold Corp., Geological Report – prepared for the regulatory filing with Toronto Stock Exchange Ventures in British Columbia, 34p.

¹¹ TNR Gold Corp., “Acquisition and Exploration of the El Tapau Gold Project, Argentina”, (<https://tnrgoldcorp.com/2007-news/acquisition-and-exploration-of-the-el-tapau-gold-project-argentina/>).

¹² Chen, supra at note 9.

109.3m depth (Table 2). This intersection including six assay intervals that were above the detection limit of 1% Cu, and therefore the intersection average value is understated.

Hole	From	To	Width	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Bi ppm	Location	
DDH-ET-0801	97.20	103.70	6.50	0.01	1.10	4455	80	8	9.0	Chorrillos	
DDH-ET-0801	109.30	157.30	48.00	0.02	4.74	6279	1160	949	13.90	Chorrillos	
DDH-ET-0801	162.30	172.30	10.00	0.02	4.90	2116	985	1205	26.0	Chorrillos	
DDH-ET-0802	45.20	47.20	2.00	0	0.51	3603	54	38	12.3	Chorrillos SW	
DDH-ET-0802	50.10	52.10	2.00	0	0.69	3376	89	47	168.6	Chorrillos SW	
DDH-ET-0803	no significant intersections										San Francisco SE
DDH-ET-0804	100.70	101.70	1.00	0.36	5.32	153	1195	2103	2.5	Quebrada Seca	
DDH-ET-0804	127.40	128.20	0.80	9.15	78.98	2260	4658	651	145.4	Quebrada Seca	
DDH-ET-0804	295.40	297.30	1.90	2.03	24.45	595	5827	3590	11.37	Quebrada Seca	
DDH-ET-0805	93.20	94.70	1.50	0.96	0.25	113	23	90	2.5	Quebrada Seca	
DDH-ET-0806	23.00	24.60	1.60	0.51	4.22	73	2563	378	20.3	Quebrada Seca	
DDH-ET-0806	36.60	38.10	1.50	0.22	0.73	117	155	524	16.9	Quebrada Seca	
DDH-ET-0807	57.00	57.90	0.90	1.77	6.36	262	496	1064	13.3	Quebrada Seca	
DDH-ET-0807	127.70	129.00	1.30	0.21	31.58	163	1789	1609	339.8	Quebrada Seca	

Table 2: Petra drilling significant intersections

In July 2009, Solitario completed mapping of the northern package of tenements which comprise the current San Francisco Project at a scale of 1:5000 (See Figure 4), with the exception of the southern tenement Cupro II. Another undated geological map at 1:5000 scale was also completed by David Sebastian Juarez, a student from the University of San Juan, which covers the Solitario II tenement. Note that in areas of overlap between the two mapping programs there is some inconsistencies in terms of the location and size of the breccia outcrops. Both these maps are in the Gauss Kruger (Argentina) Campo Inchauspe Zone 2 Projection and Grid, with north up the page accordingly.

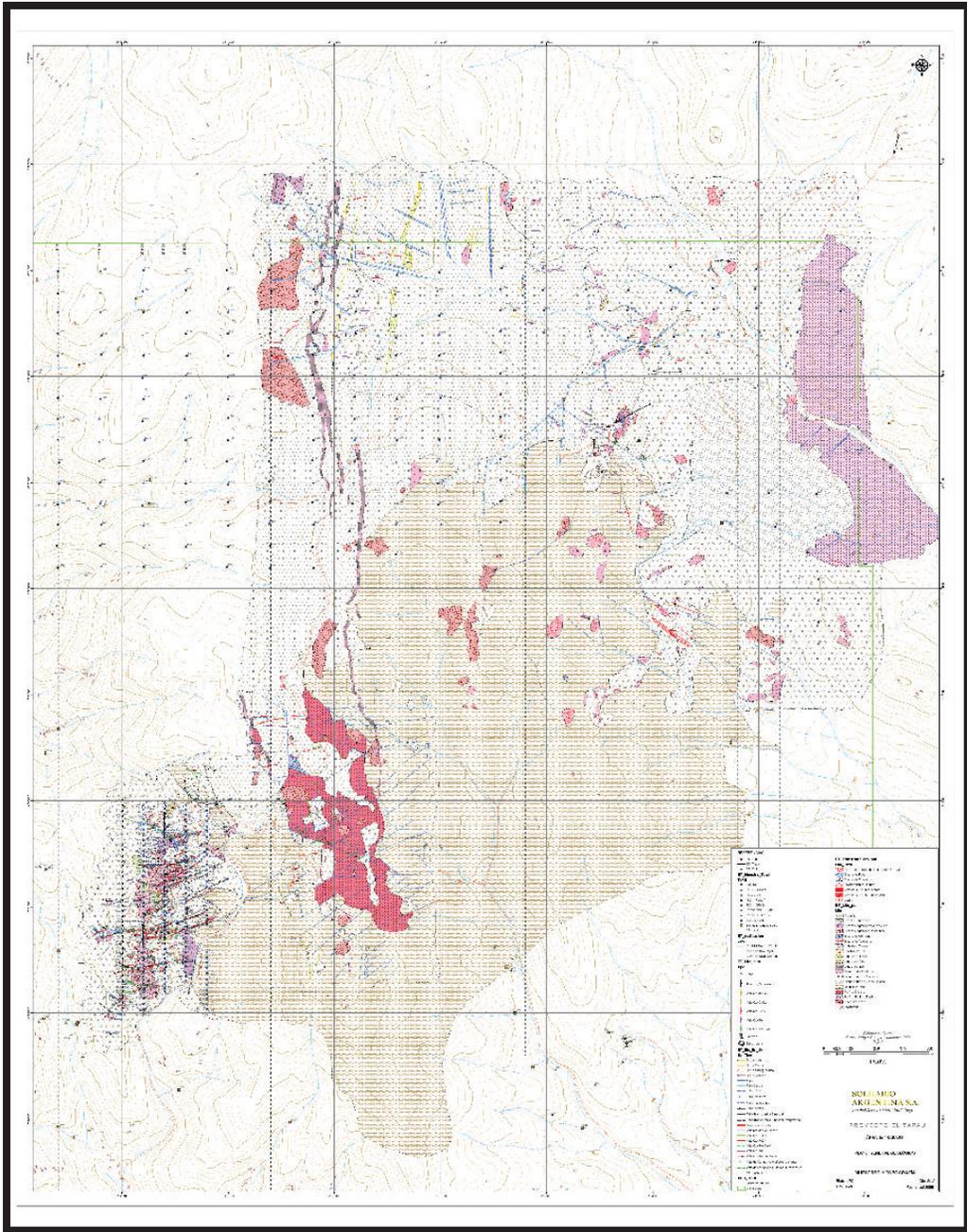


Figure 4: Solitario Geological Mapping of the northern group of tenements¹³.

Geological Setting, Mineralization and Deposit Types

The geology at San Francisco consists of Late Permian diorite, granodiorite and quartz monzonite intrusives emplaced into Carboniferous sediments of the Agua Negra Formation. The intrusive rocks are part of a regional magmatic suite that are known to host porphyry-style copper and tourmaline breccia polymetallic base and precious metal type mineralization. Mineralization at the San Francisco Project is of the tourmaline breccia style, but also

¹³ Lara, R. 2009. El Tapau Project, Calingasta, San Juan Province, Argentina. Prepared for China Mining Industry Ltd and Petra Gold Servicios Mineros S.R.L. [Lara 2009].

includes quartz veins, which are predominantly gold, silver and copper rich that are considered to be synchronous to the mineralization of the tourmaline breccias.

The exploration concept at the San Francisco Project is to test the multiple breccia pipes present within the Project, which may create sufficient ores for a central processing facility.

Geological Setting

San Juan Province straddles three major north–south-trending ranges, the Cordillera Principal, Cordillera Frontal, and Pre-cordillera as well as part of the Pampean range (Sierras Pampeanas range). The San Francisco Project is located on the eastern border of the Cordillera Frontal, separated from the Pre-cordillera to the east by the Rodeo-Calingasta–Uspallata Valley (Figure 5)¹⁴.

The Cordillera Principal runs along the Chile-Argentine border for some 1,500 km. It is a volcanically and seismically active zone formed by subduction of the Nazca plate beneath the South American continent. This convergent plate margin has been active since the Cretaceous. The main basement is formed by Permian–Triassic intrusive and volcanic rocks, of calc-alkaline affinity and andesitic to rhyolite composition, regionally known as the Choiyoi Group. These and younger sediments of Jurassic and Cretaceous age have been thickened by compression and thrusting principally since the Late Cretaceous in a thin-skinned fold thrust belt.

The Cordillera Frontal comprises a basement of Carboniferous clastic sediments of the Agua Negra/La Puerta Formation, intruded and overlain by Permian–Triassic volcanic and intrusive complex. The Cordillera Frontal complex consists of the same rock units as those in the Cordillera Principal, and was also uplifted with the Cordillera Principal.

The Choiyoi Group hosts coeval mineralization, mainly porphyry copper - molybdenum and copper - gold deposits such as San Jorge and El Salado and low-sulphidation gold systems such as Casposo, La Cabeza, and Castaño Nuevo. Tertiary mineralization occurs at Poposa (high-sulphidation gold) and at Paramillos (porphyry copper – molybdenum) prospects.

¹⁴ Altman, K.A., Cox, J.J., Moore, C.A., 2016, Technical report on the Casposo Gold-Silver mine, Department of Calingasta, San Juan Province, Argentina for Austral Gold Limited. NI43-101 Report. RPA Consulting. www.rpacan.com

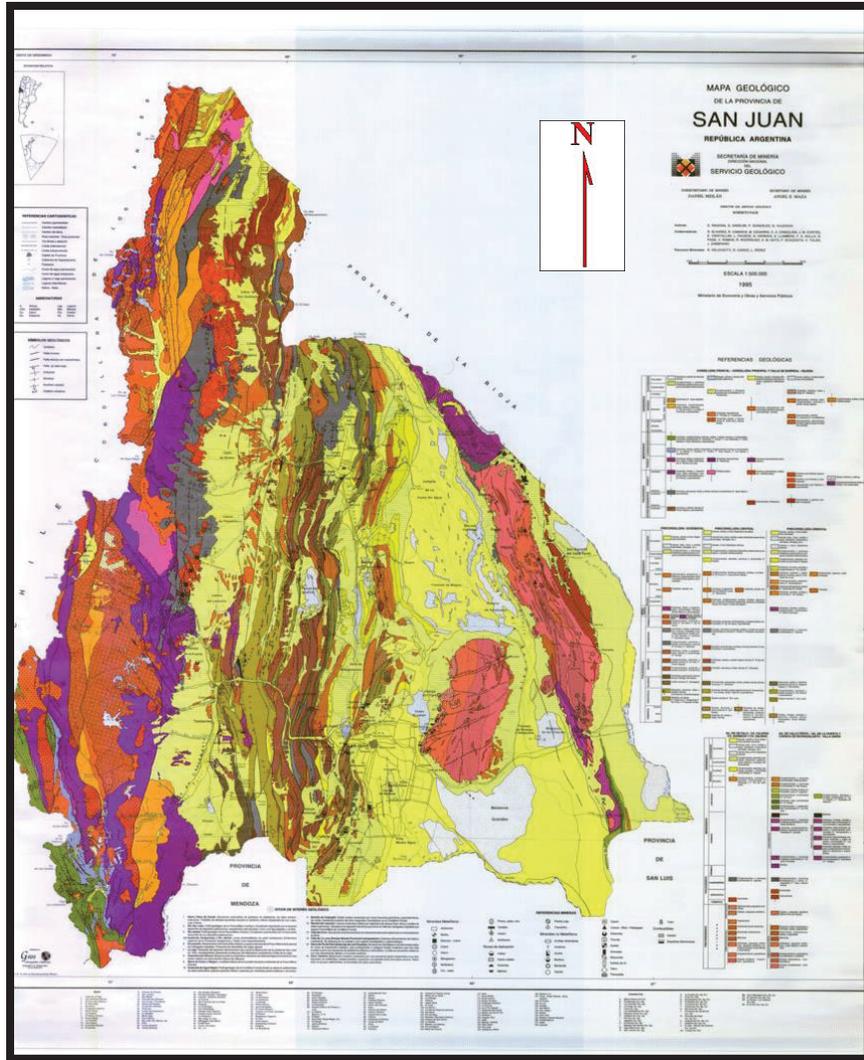


Figure 5: Geological Map of the San Juan Province¹⁵.

The Precordillera comprises a series of north–south ranges, covering about 1,000 km north– south and 100 km east–west. It is the product of large-scale tectonic compression since the Jurassic and culminating in the Miocene, and is still seismically active. The ranges in San Juan Province comprise Palaeozoic limestones and clastic sediments separated by plains reminiscent of the “Basin and Range” extensional terrain of the western United States.

East of the Precordillera, the Pampean and Transpampean Ranges (Sierras Pampeanas) are composed of Precambrian and Palaeozoic granitic and metamorphic rocks. Uplift occurred along Tertiary Laramide-style high angle reverse faults. These ranges host minor Precambrian mineralization and, within the Precordillera, some Tertiary-aged deposits, associated with calc- alkaline to alkaline volcanic and sub-volcanic centers of Miocene - Pliocene age (for example Famatina and Gualcamayo).

Basement exposed at San Francisco Project consists of Carboniferous-Permian metasediments of the Agua Negra Formation, which are shallow marine sediments of interbedded quartzites and shales. These sediments have been deformed, metamorphosed and intruded by Permian plutons collectively mapped as the Colanguil Batholith. Intrusive

¹⁵ Ragona, D., Anselmi, G., Gonzales, P. and Vujovich, G. 1995. Mapa Geologico De La Provincia De San Juan, Republica Argentina; Secretaria De Minería, Direccion Nacional Del Servicio Geologico, Scale 1:500,000.

rock mineralogy ranges from diorite through monzonite to granite. The Colanguil Batholith is shown on geologic maps with a 43 km north-south strike length, although magmatism of similar age and likely tectonic significance extends further north and south. These larger intrusive rock units are cut by later tourmaline breccia pipes as well as andesite and rhyolite dykes. The youngest magmatic event is the Permian rhyolite dykes that are typically associated with strong alteration haloes in the host sediments. The rhyolite dykes post-date the copper and gold mineralization associated with quartz veining¹⁶.

Lithology

Agua Negra Formation

The oldest rocks are dark grey, fine to medium grained immature arenites and siltstones of the Carboniferous Agua Negra Formation. In the study area, due to the close proximity of the younger intrusive rocks, they have been contact metamorphosed to a hackly hornfels. On account of the jointing and metamorphism it is often hard to resolve bedding but where it is discernible the general strike is N-S with the bedding dipping steeply both east and west¹⁷.

Plutonic rocks

There are a few phases of plutonic rocks recognized within the project, which intrude the Agua Negra Formation. The principal unit is a feldspar-phyric biotite-quartz monzonite. This plutonic phase varies from monzonite to quartz monzonite to granite. Within this unit are small blocks/rafts or plugs of feldspar-phyric diorite to granodiorite. All of these units have been mapped as a single map unit¹⁸.

The quartz-monzonite unit is typically comprised of euhedral to subhedral feldspar phenocrysts up to 2 mm, of both plagioclase and potassic feldspars, comprising approximately 80% of the rock. The remainder is made up of quartz (3-7%) and mafic minerals, predominantly biotite, and lesser amphibole. Potassic alteration makes it difficult to identify the relative amounts of the two feldspars. This unit is the most susceptible to alteration, veining and mineralization¹⁹.

The feldspar-phyric, more mafic phase, is a fine grained, dark grey diorite with scattered, but evenly dispersed feldspar phenocrysts < 2 mm. It occurs throughout the quartz monzonite as rounded to sub-rounded xenoliths, up to 15 cm in size. At numerous locations, it has also been observed as larger, more angular rafts, ranging to 70 m in length, as observed in the area of the main zone of the auriferous quartz-tourmaline veins at Quebrada Seca. In the area around the Chorrillos breccia pipes, the diorite is slightly porphyritic. In all areas it is strongly magnetic. Tourmaline orbicular phases of the quartz monzonite are present at the Chorrillos prospect. These rosettes are up to 5 cm in diameter²⁰.

Andesite Dykes

Andesite dykes up to 2 meters width have been mapped at various locations on the Project. Subhedral feldspar phenocrysts <1 mm occur in a dark grey, very fine groundmass. These dykes are present throughout the project area. They cross cut both the intrusive and hornfelsed sediments.

Quartz-tourmaline breccias

Quartz-tourmaline breccia pipes occur at numerous locations throughout the Project. They are roughly circular in appearance at surface and can exceed 100 meters in diameter. Composition of these breccias varies, where they may contain either altered igneous or sedimentary clasts and/or quartz fragments in a granular quartz-tourmaline matrix, as well as tourmaline +/- quartz fragments in a vuggy quartz matrix. These compositional differences are often defined by distinct contacts²¹.

¹⁶ Wyck, supra note 3.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

Previous mapping programs have established that there are 62 breccia outcrops of elongated to circular shapes and ranging up to 6.3 hectares and held within the Cupro I, Solitario and Cateo mining claims. Most of these are considered to be tourmaline - quartz breccias. Only 6 breccia outcrops are greater than 1 hectare (10,000m²) in area, and these are all along the west side of the project on an NNE trend. In the southern mining claim of Cupro II (1247 hectares) and the San Francisco mine site, only one tourmaline breccia is known, which is the San Francisco mine itself. This paucity in breccia outcrops is likely the result of the Cupro II tenement not having been geologically mapped.

The Chorrillos and San Francisco breccia pipes have historic workings and the San Francisco de Los Andes mine has significant production from a small-scale operation. Primary mineralization includes chalcopyrite, pyrite, arsenopyrite, sphalerite, galena, and other bismuth/antimony sulpho-salts. Within the oxide zone, chrysocolla, azurite and malachite predominate. Mineralization is generally stronger toward the breccia pipe – host rock contact where stoving has been prevalent at the San Francisco mine.

Areas of tourmaline mineralized joints are also present within the project and these may represent the upper reaches of buried tourmaline breccias or lateral leakage from nearby breccia zones.

Rhyolite dykes

Distinctive, reddish weathering aphyric rhyolite dykes truncate all intrusive rocks and the gold and base metal bearing quartz veins.

Mapping of the Rodeo-I quadrangle identifies the area containing the San Francisco project as part of the Tranquitas-Colanguil Horst - a Palaeozoic aged structure. The north-south trending structure is cored by plutonic rocks of the Colanguil Batholith, which itself has a distinct north-south elongate outcrop pattern. Bedding plane measurements of the Agua Negra Formation in the San Francisco project area show bedding is folded in a simple upright antiformal structure with a north-south fold axis.

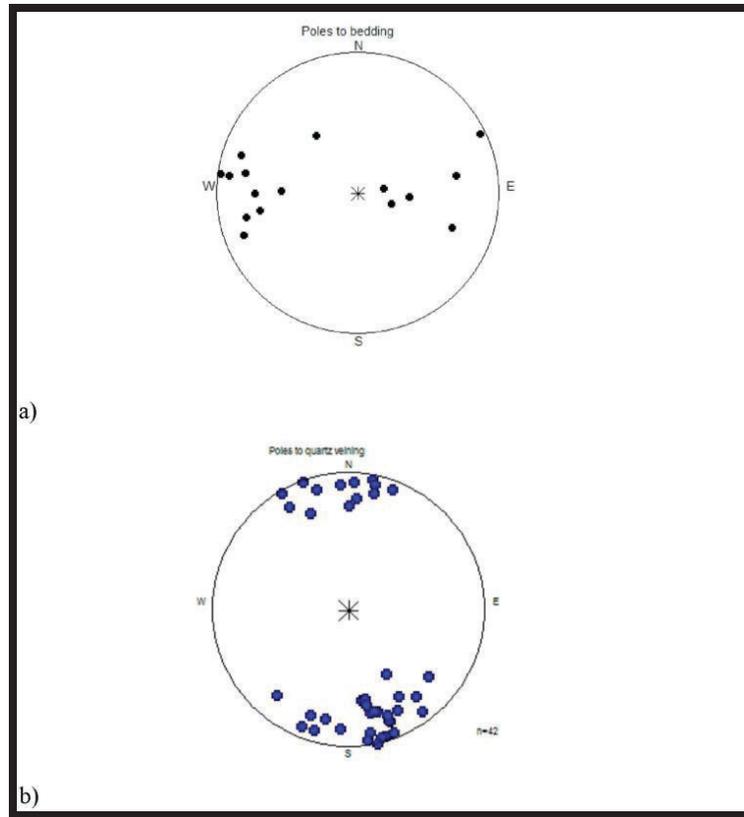


Figure 6: Stereonets of Poles to (a) Bedding and (b) Quartz vein orientations²²

The gold-base metal quartz veins possess a strong WNW to ENE orientation (Figure 6). A number of prospects with minor workings occur along a WNW striking corridor east of the Quebrada Seca prospect²³.

Other outcrops of quartz veins and shear zones east of San Francisco mine also showed an E-W to WNW-ESE strike. These veins/shears were often limonitic and showed preferential clay-sericite alteration and weathering. These shear zone sets are gold and base metal mineralized and may have some bearing upon the location of the breccias pipes.

An independent analysis of the geophysical data²⁴ mapped inferred structures based on contrasts between zones of high and low conductivity. These geophysics-based structures show a very good correlation with structures described above and emphasizes the strong NW oriented and lesser NNW structures²⁵.

Various north striking faults are inferred to occur throughout the project and some of the plutonic rock contacts may be fault bounded. This is well demonstrated in the Quebrada Seca area, where the drainage and road occupy one of these structures between monzonite and sediment²⁶. The larger tourmaline breccia outcrops occur in a corridor striking NNE from Quebrada Seca. The younger rhyolite dykes also have a north-south orientation. Lination interpretation from satellite imagery of the project area show the strong north-south and WNW-ESE trending structures. The mapped breccia outcrops have been superimposed upon the satellite image to illustrate the widespread nature of the breccia deposits (See Figure 7).

²² Ibid.

²³ Ibid.

²⁴ Chen, supra note 9.

²⁵ Wyck, supra note 3.

²⁶ Ibid.

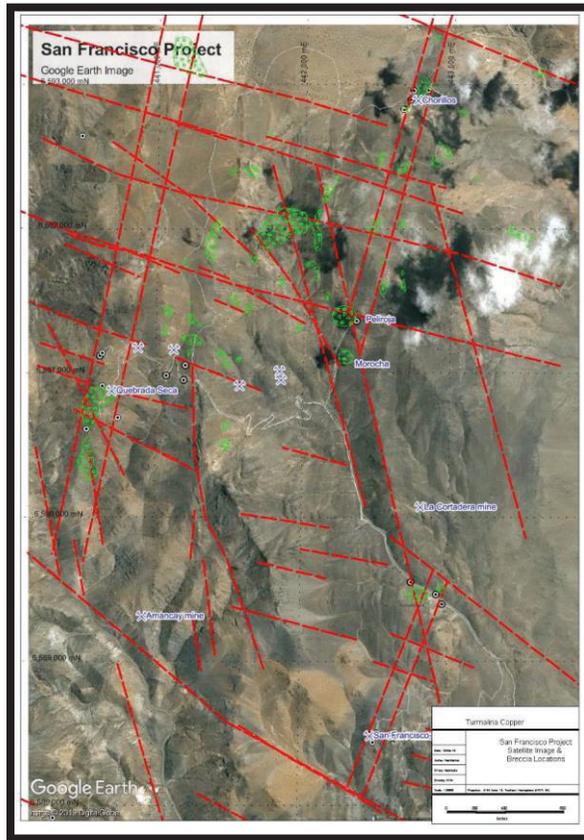


Figure 7: Satellite image with regional lineation, prospects and mapped breccia outcrops.

Deposit Type

There are two deposit types being investigated at the San Francisco Project, namely the tourmaline breccia pipes and the various quartz veins.

Copper-bearing tourmaline pipes are a distinctive class of intrusion-related breccias which vary considerably in size and metal content. They are considered to be derived from granitic to granodioritic magmas initiated at deeper crustal levels than generally much larger copper-bearing pipes associated with porphyry copper deposits. As a consequence, intrusion related pipes tend to increase in size with depth, in contrast with porphyry-related examples which typically flare upwards due to much less lithostatic pressure exerted by the host wall rocks. Both deposit types can have vertical dimensions exceeding one kilometer. The common presence of decompressive shock textures and shingle breccias provide further evidence for deeper emplacement of the intrusion-related pipes²⁷.

Development of the breccia pipes is a result of over-pressuring of the accumulated boron-metal rich hydrothermal fluid in the cupola of the intrusive complex, which is followed by hydraulic fracturing of the overlying host rock creating sheeted vein sets. This in turn may cause upward stoping of the overlying host rock as pipes through hydraulic failure with pipe growth through associated collapse & internal wall rock failure.

In terms of mineralization, complex multi-element assemblages (Cu, Mo, Au, Ag, As, Bi, WO₃, Pb and Zn) typically characterize the deeper smaller pipes in contrast to the generally simple Cu-Mo association observed in porphyry environments. The highest metal concentration is normally found near the inside margins of the tourmaline pipes, and especially in the non-porphyry derived examples where there is intense development of

²⁷ Kirwin, D., Kelley, D., Azevedo, F., Wolfe, R., 2018, Characteristics of Intrusion-Related Copper-Bearing Tourmaline Breccia Pipes. SEG Metals, Minerals and Society.

shingle breccias. A very good example of what appears to be a non-porphyry-tourmaline breccia pipe field occurs at Soledad in the Ticapampa-Aija mining district in the Cordillera Negra in Central Peru. Previous exploration has identified a cluster of nine high grade copper-gold bearing breccia pipes which have surface diameters of 30 to 100 meters within a 10 square kilometre area. Drilling has demonstrated some of the pipes have an "inverted carrot" morphology and vertical extents of greater than 500 meters. The breccias are polymictic with sericite and silica-altered wall-rock andesitic clasts set in a tourmaline and sulphide-rich matrix. Breccia contacts with the andesitic wall-rocks are sharp and there is a well-defined halo away from the contact characterized by sheeted quartz-sericite-sulphide veining. Tourmaline breccia pipes can be attractive economic exploration targets²⁸.

Mineralization within the breccia pipes is usually located at the periphery of the pipe and particularly at the arcuate or narrowing points of the breccia in plan²⁹.

Mineralization

There are three areas of mineralization that were the focus of the previous explorers, namely, San Francisco mine, Quebrada Seca and the Chorrillos Breccia.

San Francisco Deposit

Mineralization at the San Francisco mine complies with the (Cu, Mo, Au, Ag, As, Bi, Pb and Zn) metal association described and the 'inverted carrot' morphology also is supported by the deeper workings and drilling demonstrating that the deposit is more extensive in the lower levels. The breccia textures of the Soledad deposits of Peru (Section 8) are clearly similar to those found at San Francisco mine and elsewhere within the project, thus supporting the view that these deposits are of similar metallogenesis.

The breccia typically has angular flattened clasts of the host rock, containing 3 to 20 % of tourmalinic quartzite with several sulphide generations³⁰.

The breccia is oxidized and leached almost entirely at between 23 and 35 meters in depth. There follows an area of supergene enrichment of around 35 meters of vertical thickness, which contains higher grades of Au, Ag, Cu, Pb, Zn, Bi³¹.

Below which the primary ore is up to a known depth of 170 meters (Drilling P-2) where the metalliferous content is notably inferior, which may be due to lack of supergene enrichment or because the grades have moved laterally or both³².

It is shaped as a "Pipe" or a sub-vertical chimney, elongated in WNW-ESE direction with a noticeable narrowing to the centre which amounts to only 1/3 of the maximum width. This way, it has a resemblance in plan to the figure eight. In this manner, the breccia can be divided into two sectors or areas that have been designated as NW area and SE area³³.

The NW area has a defined pitch (rake) in NW direction with a value of 76 degrees. The SE area has a similar pitch in WNW direction with 86^o³⁴.

The breccia is composed by clasts of rocks of mainly quartzite cemented by 3% to 20 % of tourmaline- quartz matrix with a variety of metalliferous sulphide minerals within the breccia matrix in the primary zone³⁵.

²⁸ Ibid.

²⁹ Ibid.

³⁰ Lenicas, supra note 2.

³¹ Ibid.

³² Ibid.

³³ Ibid.

³⁴ Ibid.

³⁵ Ibid.

Within the oxidized and leached area, mineralization is mainly limonite, scorodite and other oxides/arsenates of the various metals present with the primary ore, such as the copper minerals malachite, azurite, chrysocolla which have remained mainly in the southern part of the breccia³⁶.

The supergene enrichment area at 23 to 35m depth, with around 35 meters of thickness below that, presents primary and supergene sulphides of mainly copper minerals³⁷.

The mineralogy of the primary sulphides is listed in order of importance as follows:

Mineral	Content %
Iron pyrites	3 – 12 %
Arsenopyrite	1 – 6 %
Chalcopyrite	0.1 – 3 %
Galena	0.1 – 1 %
Zinc sphalerite	traces – 0.3 %
Bismuthinite	traces – 0.5 %

Other metalliferous minerals possibly noted within the deposit are native gold, electrum, famatinite, tennantite, cassiterite and scheelite. For the supergene zone there is also chalcocite, covellite, native bismuth and cuprite. The distribution of the primary minerals is irregular but the main zones of mining have invariably focused on the breccia pipe walls where grades are considerably better³⁸.

Workings at San Francisco consists of various tunnels and shafts with the predominate workings being along the breccia – host rock contact³⁹.

Quebrada Seca

The gold and base metal quartz veins have been repeatedly sampled at the surface during various exploration campaigns and especially at Quebrada Seca. Texturally the veins within the San Francisco project are crystalline, massive and occasionally vuggy. They have a typical Cu, Mo, Au, Ag, As, Bi, Pb and Zn metal association supporting the view that this type of mineralization is directly related to the tourmaline breccia mineralizing event (Figure 8). The veins/shear zones therefore constitute a secondary target to the main tourmaline breccia type.

³⁶ Ibid.

³⁷ Ibid.

³⁸ Ibid.

³⁹ Ibid.

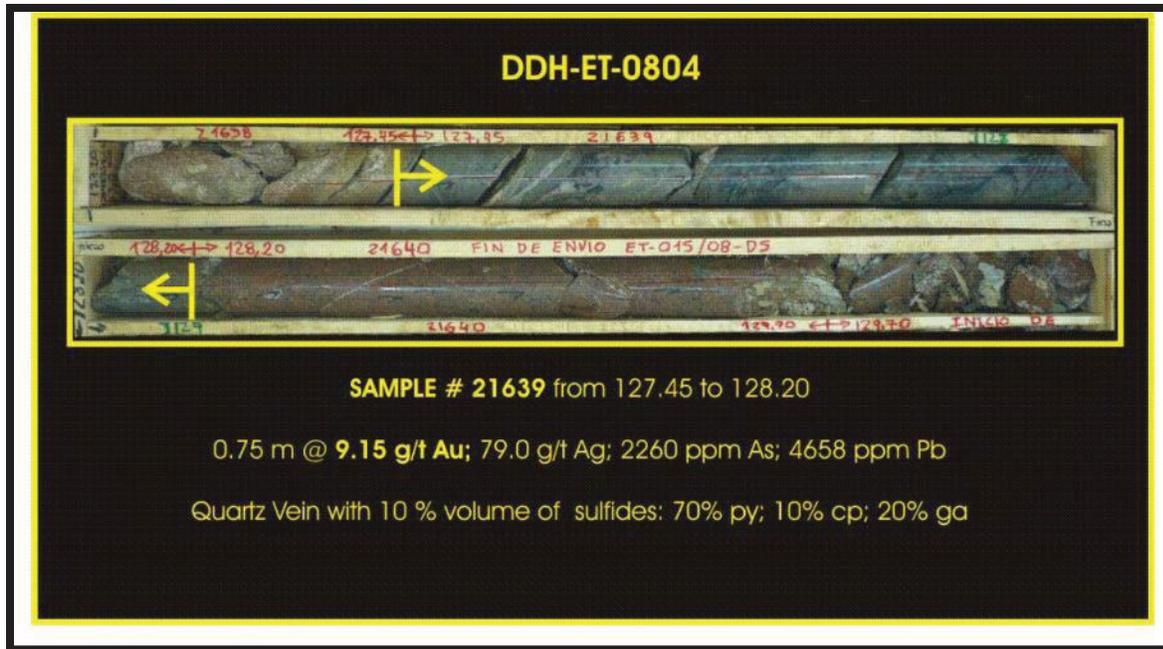


Figure 9: High grade narrow intercept from Quebrada Seca and metal association⁴⁰.

Quartz veining at Quebrada Seca is shown in the geologic map. Quartz vein thicknesses are rarely greater than 1 m and most are approximately 50 cm thick. Individual veins can be traced for several hundred meters, but most are shorter. Veining is more common in the intrusive rocks. This is considered due to the mechanical properties of the igneous rocks that allow fractures to propagate and stay open during mineralization. Veins are enriched in Au, Ag, As, Bi, Cu, Pb, Sb, and Zn. Vein mineralogy is quartz \pm calcite, sericite, and sulphides. Sulphides of mostly pyrite, with lesser chalcopyrite, galena and sphalerite, while geochemistry suggests sulpho-salts with antimony and arsenic are also likely. Many of the samples collected at the surface were oxidized, limonitic and gossanous⁴¹.

Most veins contain alteration halos of predominantly sericite. At the Amancay mine, south of Quebrada Seca, strong veining and sericite alteration yielded positive gold assays however, the strike length of the alteration mapped at the Amancay mine is less than 50 m, and the size of the waste rock suggests a small operation. Furthermore, the geophysical data from the IP traverse across the mine does not show a large anomaly beneath the workings⁴². The Amancay mine is excluded from the San Francisco project by a small mining claim.

Both the quartz veins and the breccia pipes are considered to be part of the same mineralization event and is related to hydrothermal fluids evolved from the same deep-seated source. These fluids would then be focused into structures and develop into vein-like deposits (Amancay) or breccia pipe deposits (San Francisco).

Rock chip sampling at Quebrada Seca showed a number of veins (at least 8) with consistent gold grades of >1ppm and highly anomalous base metal grades. Drilling of five of these veins with four RC holes intersected narrow low-grade veins which is consistent with the description by Wyck above.

Soil geochemical anomalies in the Quebrada Seca area are consistent with the narrow-veined nature of the outcropping quartz veins and the rock chip results.

⁴⁰ Lara 2009, supra note 13.

⁴¹ Wyck, supra note 3.

⁴² Ibid.

A broader soil polymetallic anomaly occurs north of Quebrada Seca and is centred on 2,440,655E 6,592,233N, which occurs outside of the mapped area and appears to be a tourmaline breccia pipe based upon the dark rock outcrop shown in the satellite image.

Chorrillos Breccia

The Chorrillos area was the focus of the first drilling by Solitario in 1995. The area contains a quartz tourmaline breccia pipe, approximately 100 m in diameter that stands topographically 20m higher than the surrounding area. Several adits were driven into the various parts of the breccia pipe on copper mineralization. Other breccia pipes can be seen extending off the Project to the north, and the size and distribution suggests a strong and widespread mineralizing system.

Tourmaline mineralization is present as joints in granitic rocks is present in various samples located at Chorrillos as well as orbicular tourmaline mineralization. Massive tourmaline - quartz veining is the general manifestation of the Chorrillos breccia.

There are a number of adits present at Chorrillos that have dumps that are commonly covered in copper oxide type mineralization. Most of these adits are driven from the southeast toward the NW into the breccia.

Drilling of the Chorrillos has been carried out via two RC holes and a diamond drill hole, which will be discussed below in more detail in the drilling section. An example of the high-grade zone of >1%Cu (upper limit of assay technique used) shows that the mineralization is directly related to the quartz-tourmaline breccia present at Chorrillos.

Exploration

Exploration has consisted of geological mapping, geochemistry and drilling. This information has been consolidated to enable a comprehensive view of the project as a whole, where this information has been available. The IP geophysical information has not yet been sourced

Exploration by the Issuer has largely been of a confirmatory nature, consisting of resampling old drill core and replicating underground sampling taken from the San Francisco de los Andes mine. Specifically, the Issuer conducted channel sampling from the underground workings at San Francisco mine with 56 channel samples and has also conducted 70 rock chip samples from various locations. The information from such sampling efforts is still being compiled for assay and sample location data.

The main coverage of the project has been in the form of stream sediment, grid-based soil sampling and rock chip surveys. The stream sediment survey of 131 samples for 34km² is at a density of 3.85 samples per km².

Apart from the detailed soil sampling at Quebrada Seca, a broader coverage was undertaken at on a 100m x 200m grid covering the western portion of the central and northern mining claims.

Rock chip sampling was used to compliment the soil sampling coverage as well as samples taken from various areas of interest, including more detailed channel sampling at San Francisco mine site.

Drilling

There have been three drilling programs held within the San Francisco project.

Initially two vertical diamond drill holes were drilled at San Francisco mine by the Argentine Mines Department and then later a five drill-hole program Compania Minera Aguilar SA at the San Francisco mine for a total of 421.6 meters was completed in 1990. The core for the initial two holes DDH_P1 & DDH_P2 is not available, but the remaining 5 five holes was held in storage by Minera Aguilar. The drill core for DDH05 was BQ 36.5mm in diameter and for DDH02 the core size was NQ 47.6mm. The core was split in half for assaying. Turmalina Copper used the remaining core from two of these holes for re-assaying (DDH02 & DDH05) as a means of comparative assay study for the old assays.

Later Solitario Resources⁴³ drilled five RC holes for a total of 632 meters at various locations in the Chorrillos area.

In 2008, Petra Gold in association with TNR drilled another eight diamond holes for a total of 1961 meters at various locations within the project area, as outlined in the following table:

Hole ID	Easting	Northing	RL	Depth	Azimuth	Dip	Prospect
CN-95-1	2442893	6593764	3004	109	260	-70	Chorrillos
CN-95-2	2442791	6593767	3016	151	60	-65	Chorrillos
CN-95-3	2444138	6595059	3027	151	16	-56	Chorrillos Far NE
CN-95-4	2443357	6594543	2871	88	0	-90	Chorrillos NE
CN-95-5	2442726	6593637	3018	133	360	-70	Chorrillos SW
DDH-ET-0801	2442793	6593762	3032	440.4	60	-60	Chorrillos
DDH-ET-0802	2442727	6593631	3018	200	0	-70	Chorrillos SW
DDH-ET-0803	2443040	6588518	2577	317.2	240	-70	SE of San Francisco
DDH-ET-0804	2440700	6591715	3090	398.2	180	-70	Quebrada Seca
DDH-ET-0805	2440698	6591939	3100	202.1	180	-50	Quebrada Seca
DDH-ET-0806	2440599	6591414	3029	202.6	180	-60	Quebrada Seca
DDH-ET-0807	2440808	6591493	3022	200.5	180	-60	Quebrada Seca
DDH_P1	2442588	6589281	2722.16	150	0	-90	San Francisco
DDH_P2	2442557	6589292	2722	170	0	-90	San Francisco
DDH01	2442578	6589304	2736	55.9	239	-48	San Francisco
DDH02	2442578	6589304	2736	125.75	239	-69	San Francisco
DDH03	2442578	6589304	2736.37	49.4	218	-45	San Francisco
DDH04	2442600	6589303	2730.8	99.9	235	-66	San Francisco
DDH05	2442575	6589242	2713.7	90.65	17	-51	San Francisco

Assay and geological logging results for all of this drilling has been compiled from plans, sections and the original tables. Given the era of the drilling, no assay checks or quality control sample data is available.

Drill collar locations have been confirmed by ground checking with handheld GPS units. In the case of the Petra/Solitario holes, the drill collars are marked in concrete at each site. The drill holes at San Francisco are marked by the original steel casing.

Only downhole surveys were conducted for the 2008 drilling carried out by Petra/TNR and have been incorporated into the database.

San Francisco Mine

The initial drilling was carried out by the Mines Department of holes DDH_P1 (150m) and DDH_P2 (170m). These drill holes were placed within each lobe of the breccia and drilled vertically entirely within the breccia pipe. This was followed by a five-hole drill program at San Francisco in 1990. The following mineralized intercepts are summarized based upon a 1000ppm copper minimum grade and a 3m interval maximum of internal waste as well as a minimum mineralized intercept of 3 meters, based upon the complete assay work sheets.

Hole ID	From	To	Interval	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Bi ppm
DDH_P1	30.70	77.35	46.30	5.15	99.15	5131	2495	356	511
DDH_P1	77.35	97.50	20.15	no core recovered					
DDH_P1	97.50	115.00	17.50	0.02	26.64	2373	5329	5380	47
DDH_P1	125.90	133.40	7.50	0.76	38.11	3270	1915	603	39
DDH_P2	25.65	66.00	40.35	4.88	43.36	8323	4630	2373	470
DDH_P2	70.90	122.50	51.60	0.13	35.50	3637	1189	3855	1538

⁴³ Drinkard, supra note 4.

DDH P2	127.50	152.30	24.80	0.02	4.81	3142	2485	1947	16
DDH01	38.55	53.20	14.65	1.73	53.81	4416	1616	256	207
DDH02	35.55	92.65	57.10	2.04	118.91	4669	21931	5753	147
DDH02	95.70	122.50	26.80	0.52	93.04	4752	8474	5667	1037
DDH03	40.35	49.40	9.05	1.02	68.71	24917	1512	157	940
DDH04	30.90	34.90	4.00	2.63	23.38	1195	911	23	710
DDH04	42.50	74.25	31.75	3.05	56.26	9829	5872	3485	359
DDH04	83.55	94.65	11.10	0.58	33.46	7023	1072	1148	25
DDH05	44.35	84.25	39.90	3.88	71.14	10958	2377	946	918

Chorrillos

The RC percussion drilling carried out in the Chorrillos area by Solitario in 1995 has recorded copper mineralized intercepts at the main Chorrillos breccia as well as the smaller tourmaline breccia located 170m to the southwest.

Hole ID	From	To	Interval	Au ppm	Ag ppm	Cu ppm	Prospect
CN-95-1	57	62.5	5.5	0.02	2.69	1168	Chorrillos
CN-95-1	93	105	12	0.03	10.23	3049	Chorrillos
CN-95-2	99	103	4	0.07	1.5	3024	Chorrillos
CN-95-2	107	113	6	0.03	4.07	1126	Chorrillos
CN-95-2	117	125	8	0.02	1.5	2125	Chorrillos
CN-95-2	129	151	22	0.03	4.89	1630	Chorrillos
CN-95-5	43	87	44	0.03	3.35	2183	Chorrillos SW

Quebrada Seca

The diamond drilling program by TNR/Petra conducted in 2008 confirmed the mineralization present at Chorrillos as well as locating minor gold mineralization at Quebrada Seca.

Hole	From (m)	To (m)	Interval (m)	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Bi ppm	Location
DDH-ET-0801	97.20	103.70	6.50	0.01	1.06	4455	80	8	9.46	Chorrillos
DDH-ET-0801	109.30	157.30	48	0.02	4.74	6279	1160	949	13.89	Chorrillos
DDH-ET-0801	162.3	172.3	10	0.02	4.88	2116	985	1205	25.7	Chorrillos
DDH-ET-0802	40.00	52.10	12.1	0.01	0.79	2172	104	39	166.5	Chorrillos SW
DDH-ET-0803	no significant intersections									San Francisco SE
DDH-ET-0804	100.70	101.70	1.00	0.36	5.32	153	1195	2103	2.5	Quebrada Seca
DDH-ET-0804	127.40	128.20	0.80	9.15	78.98	2260	4658	651	145.4	Quebrada Seca
DDH-ET-0804	295.40	297.30	1.90	2.03	24.45	595	5827	3590	11.37	Quebrada Seca
DDH-ET-0805	93.20	94.70	1.50	0.96	0.25	113	23	90	2.5	Quebrada Seca
DDH-ET-0806	23.00	24.60	1.60	0.51	4.22	73	2563	378	20.3	Quebrada Seca
DDH-ET-0806	36.60	38.10	1.50	0.22	0.73	117	155	524	16.9	Quebrada Seca
DDH-ET-0807	57.00	57.90	0.90	1.77	6.36	262	496	1064	13.3	Quebrada Seca
DDH-ET-0807	127.70	129.00	1.30	0.21	31.58	163	1789	1609	339.8	Quebrada Seca

Sampling, Analysis and Data Verification

Sampling

A summary of the various assay techniques used for the geochemical surveys illustrates that 1941 samples have Au, Cu, Pb, Zn, As, Mo and possibly Ag assays.

Samples	Count	Method
No Assays	55	
Au	410	Fire Assay
Cu	410	Acid digest/AAS finish
Pb	410	Acid digest/AAS finish
Zn	410	Acid digest/AAS finish

Ag	293	Acid digest/AAS finish
As	410	Acid digest/AAS finish
Mo	410	Acid digest/AAS finish
Au & 43 element scan	1531	Fire Assay & ICP

The soil sampling that was conducted by Petra and TNR used the grid that was marked up and used by the geophysicists for the IP survey so that the actual location control would be expected to be quite good. Onsite sampling was not supervised by geologists which is why there is no lithological logging of the soils samples that were taken. The grid used for the soil sampling is 200 m line spacing (E-W) and sampling undertaken every 100 meters (N-S)⁴⁴.

An area of approximately 1.7 x 2.7 km was sampled (approximately 475 hectares). Following this survey centred over the area containing gold-base metal quartz veins, a second soil survey was completed over the most promising target area, which was considered to be a quartz veined porphyry target by TNR. This survey was based on 75 x 75 m soil grid and covered an area of approximately 114 hectares. In both of these cases typical soil samples were collected by digging with a shovel or pick axe down to bedrock and collecting an approximately 1 kg soil sample. No sieving was used. The soils in this area are lithosols/talus fines - there is very little vegetation and A and B soil horizons are not developed⁴⁵.

Practically all the samples were assayed for gold by fire assay 50-gram charge with a 0.01ppm lower detection limit for rocks and a 1 ppb detection limit for soils. Wyck⁴⁶ primarily focused on mapping and sampling quartz veins. Rock chip samples were for the most part selective rock chips, rather than spatially representative rock chips. Quartz vein samples focused on limonite-rich portions of veins, or texturally banded and distinct portions of veins. Sample sizes of 1 kg were typical and a selective hand sample was retained for later thin sectioning. No uniform sample density was utilized, but each vein was sampled at least once. Because of the selective nature of the rock sampling the values reported are likely to over emphasize grade⁴⁷.

Inspection of the drill core from both the San Francisco and Chorrillos/Quebrada Seca drilling show that the core was half split at San Francisco and half cut for the Petra/TNR drilling. Half of the core was sent for assay.

Turmalina Metals Corp. (TMC) have conducted resampling of two drill holes at San Francisco, namely DDH02 and DDH5, where the entire remaining half core was sent for laboratory analyses. Therefore, there is no longer any remaining core from those two holes where new assays have been generated.

Analysis

Sample preparation for the 1990 San Francisco drill core was carried out Minera Aguilar staff who split the core in half and submitting the samples to a local mine-based laboratory.

TCC has conducted further core analyses to repeat some of the assays & review the potential for bias. The mineralized intercepts were repeated by ALS Global on the remaining half core for DDH02 & DDH05. The core was sampled at the same intervals used previously and delivered to the ALS Global sample preparation facility in Mendoza. The prepared pulps were forwarded to their analysis laboratory in Santiago, Chile. Samples were dried, crushed and pulverized, prior to analysis by Au-AA24 and ME-MS41 techniques. Au-AA24 is a standard 50g fire assay using lead collection and aqua regia digest and AAS finish. ME-MS41 is an aqua regia digest and an ICP-MS (Inductive coupled plasma - Mass spectrometer) analysis using a 0.5g charge suitable for low level detection and includes 53 elements. The drill core was analyzed in a single batch with job number ME18326761 completed on 19 January 2019 and consists of 81 samples. This batch has 12 sets of laboratory duplicates and 37 sets of standards and blanks analyzed by ALS Global. TMC also added 5 standards and 6 blanks to the same batch to ensure assay quality. The ICP-MS assays included boron in the suite, and given the high levels of tourmaline in the samples it would have been expected

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Ibid.

⁴⁷ Ibid.

to yield a response however aqua regia is not suitable for this process and a four-acid digest with hydrofluoric acid is necessary for that to yield a meaningful assay.

The sampling handling, preparation and analyses conducted by TMC for the resampling of the drill core and the rock chip sampling are of an adequate standard. The earlier assaying techniques used by Minera Aguilar are not of sufficient quality to allow future usage such as in resource estimation.

Sample preparation for the early drilling conducted by Solitario in 1995 is unknown and the samples analyses were for Au, Ag and Cu - all in the ppm range. The assay results appear to be adequate for the information available and the collection and presentation of the data was of a high standard despite the lack of quality control information available.

Sample preparation methods and analytical techniques used by Petra/TNR during the 2000 decade are consistent. Rock, soil and stream silt samples were assayed at the same facility - Alex Steward Assay (ASA) in Mendoza, utilizing the same sample preparation codes and almost identical analytical packages. Soils and stream silts were prepared using prep code P-2, which is dry entire sample in electric ovens, complete sieve to <#80 mesh, split 200 gm for analysis. Rocks were prepared using prep code P-5, which is dry entire sample in electric ovens, then complete crush of sample in jaw crushers to #10 mesh, split sample to 0.8 kg with riffle splitter and finally pulverization of sample to 85% under #200 mesh⁴⁸.

Petra/TNR samples analyzed for gold using conventional fire assay techniques on a 50 g sample, finished by atomic absorption methods with a minimum detection limit of 0.01 ppm. Soils and silts were analyzed to a 1 ppb detection limit for gold. The remaining elements were analyzed using ICP-OES following aqua regia digestion (Wyck, 2008).

In 2008, Wyck delivered all samples directly to the assay laboratory and so the samples were either on site or in Petra Gold's secure warehouse facilities in San Juan prior to delivery. Alex Steward Assay (ASA) Argentina is a certified ISO 9001 :2000 company for the preparation and analysis of geochemical samples (Wyck, 2008).

For the geochemical ground surveys conducted by TNR/Petra in 2008 a series of rock and soil sample blanks were introduced into the sample stream. All of these samples returned background values. In addition, the assay lab repeated every 10th sample. These reported values showed no significant variation. Commercial pulp standards were not used in the Petra Gold & TNR sampling; however, the results produced by ASA based on the requirements of ISO 9001:2000 certification were considered satisfactory⁴⁹.

Data Verification

The regional geological and topographical mapping was presented as raster images rather than vector data. The drilling data was presented as scans of sections, maps, assay sheets & geological logs. Some of the geological logging had been transposed into Excel spreadsheets or was originally done in Excel. The assays are recorded in Excel spreadsheets (Petra) or as scanned copies of the original assay work sheets (Minera Aguilar drilling).

The Petra Gold geochemical data of soil, rock and streams sediment samples, includes rock descriptions, coordinate locations in Gauss-Kruger Campo Inchauspe Zone 2 projection and assay spreadsheets. The assay data was not the original assay data from the laboratory but rather a compilation of the information gathered. The underground sampling of the San Francisco mine was presented as scanned maps and scanned original assay sheets. Resampling of the underground drives carried out by TCC included sampling location maps and original assay sheets.

Petra Gold and TNR Gold Corp. conducted some geochemical sample assay quality checks in 2008 of both rock chip and soil samples, and proceeded to thereafter collect duplicate soil samples under the guidance of Dr. Wyck, referred to in both the technical report and this summary of technical information, as having previously authored a 43-101 report for a past owner of the Property. Neil Motton, the qualified person who completed the Technical Report reviewed the information contained in the reports of Dr. Wyck, and concurred that the previously collected sample database reflected reasonable sampling procedures to produce accurate and reliable results.

⁴⁸ Ibid.

⁴⁹ Ibid.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Company is a mineral resource company engaged in the business of acquiring and exploring mineral resource properties. The Company's principal property is the Project and its objective is the exploration and development of the Project located in San Juan Province, Argentina. The Company holds an option to acquire up to a 100% interest in the Project by making payments and incurring exploration expenditures and drilling. The Company's interest in the Project is governed by the Option Agreements.

USE OF AVAILABLE FUNDS

Available Funds

The Company has received net proceeds of \$6,580,000 for the Private Placement. The net proceeds, when added to the sum of \$827,000, representing the estimated working capital of the Company as at July 31, 2019, results in \$7,157,000 in available funds.

Funds will be released from escrow upon conversion of the Subscription Receipts, which shall occur on the completion of certain conditions, specifically such conversion will occur following the earlier of four months and one day after the issue date of the Subscription Receipts or three business days after receipt of a final prospectus by the Company, and the receipt of conditional approval of the TSXV Exchange for the Listing.

Source of funds	Amount
Estimated consolidated working capital as at July 31, 2019	\$827,000
Estimated listing transaction costs	\$(250,000)
Net proceeds from Private Placement	\$6,580,000
Total funds available	\$7,157,000

Principal Purposes

The following table sets out how the Company expects to use the funds available to it after completion of the distribution

Use of funds available after completion of distribution	Amount
Exploration and Development of the San Francisco Project	\$2,627,068
Payments pursuant to Option Agreements	\$419,200
Sales and Marketing	\$450,000
General and Administrative Expenses	\$1,572,000
Unallocated General Working Capital	\$2,088,732
TOTAL	\$7,157,000

Note:

- (1) General and administrative expenses are expected to include, among other things, salaries, consulting fees, rent, legal fees, audit fees, insurance and Exchange listing fees.

The Company anticipates that it will have sufficient cash available to execute its business plan and to pay its operating and administrative costs for at least twelve months following the Listing on the TSXV.

Unallocated funds are intended to be for contingency purposes. Unallocated funds will be deposited in the Company's bank account and added to the working capital of the Company. The Chief Financial Officer of the Company is responsible for the supervision of all financial assets of the Company. Based on the Company's requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary.

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

Business Objectives and Milestones

The Company intends to use the Technical Report as the basis for exploration at the Project, and has already initiated the first phase work program outlined in the Technical Report. The recommended work program consists of a drill program to evaluate the resource potential at the Project, with a drill out to a nominated depth of 170m below the surface within the primary ore zone. It is anticipated that this drill program would take place over a 12 month period, and would cost an estimated \$2,627,068, which is inclusive of a contingency for cost-overruns.

Subject to the results of the first phase work program, it is the intention of the Company to begin a second phase exploration program to meet the contractual commitments and requirements of the Option Agreements, which would include 300m drilling on the breccia targets identified by the Technical Report, a nine month field mapping and sampling program, and further geophysics. The completion of this second work program is anticipated to complete at least 15 months following the completion of the first work program and cost an estimated \$2,212,068. The recommended second phase work program is contingent on the completion and results from the first phase.

DIVIDENDS OR DISTRIBUTIONS

The Company has not declared or paid any dividends on the Common Shares.

There are no restrictions in the Company's articles or elsewhere, other than customary general solvency requirements, which would prevent the Company from paying dividends. All of the Company's shares will be entitled to an equal share in any dividends declared and paid. It is anticipated that all available funds will be invested to finance the growth of the Company's business and accordingly it is not contemplated that any dividends will be paid on the Company's shares in the immediate or foreseeable future. The directors of the Company will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Company's financial position at the relevant time.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information of the Company

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the period from incorporation on March 21, 2017 to December 31, 2018, and the unaudited interim financial statements for the three month period ended March 31, 2019, and notes thereto included in this Prospectus, and should be read in conjunction with such financial statements and the related notes thereto, along with the Management's Discussion and Analysis ("MD&A") included in Schedules "C" and "D" of this Prospectus. All financial statements of the Company are prepared in accordance with International Financial Reporting Standards. All amounts referred to as being derived from the financial statements of the Company are denoted in Canadian Dollars.

	As at and for the three months ended March 31, 2019 (unaudited)	As at December 31, 2018 and for the year ended December 31, 2018 (audited)	As at December 31, 2017 and for the period from incorporation on March 21, 2017 to December 31, 2018 (audited)
Net loss for the period	\$(398,651)	\$(927,140)	\$(1,501,136)
Cash	\$589,012	\$22,965	\$79,051
Total assets	\$743,601	\$101,750	\$79,291
Total liabilities	\$86,776	\$318,774	\$130,427
Total shareholders' equity (deficiency)	\$656,825	\$(217,024)	\$(51,136)

Management's Discussion and Analysis

The MD&A of the Company from the date of incorporation on March 21, 2017 to December 31, 2018 is included in Schedule "C" to this Prospectus. The Company's MD&A for the three months ended March 31, 2019 is included in Schedule "D" to this Prospectus.

The MD&A for the Company should be read in conjunction with the financial statements and the accompanying notes thereto included in this Prospectus. Certain information contained in the MD&A constitutes forward-looking statements. These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward looking statements. See "*Forward-Looking Statements*" and "*Risk Factors*".

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As of the date hereof, there are 34,950,000 Common Shares issued and outstanding.

Common Shares

The holders of Common Shares are entitled to dividends, if, as and when declared by the Board of Directors, to one vote per Common Share at the meetings of the shareholders of the Company and, upon liquidation, to share equally in such assets of the Company as are distributable to the holders of Common Shares. All Common Shares issued upon deemed exercise of the Subscription Receipts will be fully paid and non-assessable. Upon deemed exercise of the Subscription Receipts, it is expected that there will be approximately 48,950,000 Common Shares issued and outstanding. See "*Consolidated Capitalization – Fully Diluted Share Capital*."

CONSOLIDATED CAPITALIZATION

Consolidated Capitalization

The following table summarizes the Company's capitalization since incorporation and before and after giving effect to the deemed exercise of the Subscription Receipts. The table should be read in conjunction with the financial statements and the accompanying notes thereto included in this Prospectus.

	Amount Authorized	Outstanding as at December 31, 2018 (audited)	Outstanding as at the date of this Prospectus (unaudited)	Outstanding After Giving Effect to the Deemed Exercise of Subscription Receipts (unaudited) ⁽¹⁾
Common Shares	Unlimited	\$2,200,000 (17,600,000 Common Shares)	\$8,737,500 (34,950,000 Common Shares)	\$24,475,000 (48,950,000 Common Shares)

Note:

(1) On an undiluted basis. Assumes the issuance of 14,000,000 Common Shares upon deemed exercise of 14,000,000 Subscription Receipts.

Fully Diluted Share Capital

The following table sets forth the anticipated fully diluted share capital of the Company after giving effect to the deemed exercise of the Subscription Receipts.

	Number of Common Shares Issued or Reserved for Issuance After Giving Effect to the Deemed Exercise of Subscription Receipts	Percentage of issued and outstanding Common Shares After Giving Effect to the Deemed Exercise of Subscription Receipts (fully-diluted)
Common Shares outstanding at the date of this Prospectus	34,950,000	65.7%
Common Shares to be issued upon deemed exercise of Subscription Receipts	14,000,000	26.3%
Common Shares issuable upon exercise of options ⁽¹⁾	4,225,000	8%

Note:

(1) The Company has issued an aggregate of 4,225,000 options for the purchase of an aggregate of up to 4,225,000 Common Shares for an exercise price of \$0.50 per Common Share to the directors, officers, employees, and advisors of the Company. These options expire as of August 9, 2024.

OPTIONS TO PURCHASE SECURITIES

A Stock Option Plan was approved by the Company’s Board of Directors effective as of May 15, 2019 (the “**Stock Option Plan**”). The principal purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through options, to acquire Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

The Stock Option Plan provides that the aggregate number of securities reserved for issuance will be 10% of the number of common shares of the Company issued and outstanding from time to time.

The Stock Option Plan is administered by the Board of Directors of the Company, which has full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise prices will be determined by the Board of Directors, but will, in no event, be less than the closing market price of Common Shares on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As of the date of this Prospectus, the Company has the following stock options issued and outstanding.

Optionee	Number of Stock Options	Exercise Price	Expiry Date
All executive officers and past executive officers as a group	1,650,000	\$0.50	5 years from date of grant
All directors and past directors as a group	2,825,000 ¹	\$0.50	5 years from date of grant
All employees and past employees as a group	400,000	\$0.50	5 years from date of grant
All consultants and past consultants as a group	400,000	\$0.50	5 years from date of grant

Note 1: Certain executive officers, specifically Rohan Wolfe (CEO) and Bryan Slusarchuk (President), who hold 575,000 options each, are also directors and their option holdings are included in such category as well. Additionally, a past director of the Company, who is now a consultant, holds 200,000 options.

See “*Executive Compensation – Stock Option Plan*”.

PRIOR SALES

The following table summarizes the sale of securities of the Company in the 12 months prior to the date of this Prospectus.

Date	Number of Securities	Issue Price Per Security	Aggregate Issue Price
July 31, 2018	720,000 Common Shares ⁽¹⁾	\$0.125	\$90,000
October 25, 2018	2,000,000 Common Shares ⁽¹⁾	\$0.125	\$250,000
November 7, 2018	1,320,000 Common Shares ⁽¹⁾	\$0.125	\$15,000
February 14, 2019	3,400,000 Common Shares	\$0.125	\$425,000
February 27, 2019	1,220,000 Common Shares	\$0.125	\$152,500
February 28, 2019	3,480,000 Common Shares	\$0.125	\$435,000
April 5, 2019	3,905,000 Common Shares	\$0.125	\$488,125
April 17, 2019	5,345,000 Common Shares	\$0.25	\$1,336,250
July 31, 2019	14,000,000 Subscription Receipts	\$0.50	\$7,000,000

Note: (1) On November 9, 2018 the Company completed a consolidation of Common Shares on the basis of one post-consolidation Common Share for each 2.5 pre-consolidation Common Shares previously outstanding. The figures represented in this Prospectus are on a post-consolidated basis, and issue prices reported in the above table have also been adjusted accordingly.

ESCROWED SECURITIES AND RESALE RESTRICTIONS

Escrowed Securities

Pursuant to National Policy 46-201 - Escrow for Initial Public Offerings (“NP 46-201”) and applicable securities laws, all securities held by Principals (as defined below) are subject to escrow restrictions (the “Escrowed Holders”). Principals include all persons or companies that, on the completion of the Offering, fall into one of the following categories:

- (a) directors and senior officers of the Corporation, as listed in this Prospectus;
- (b) promoters of the Corporation during the two years preceding this Offering;
- (c) those who own and/or control more than 10% of the Corporation’s voting securities immediately before and immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Corporation or of a material operating subsidiary of the Corporation;
- (d) those who own and/or control more than 20% of the Corporation’s voting securities immediately before and immediately after completion of this Offering; and
- (e) associates and affiliates of any of the above.

A Principal’s spouse and their relatives that live at the same address as the Principal are also considered Principals for the purposes of escrow.

The Principals of the Corporation are Rohan Wolfe, Brian Slusarchuk, Jonathan Richards, Mark Eaton and Francisco Azevedo.

The following securities of the Corporation will be subject to the terms of a Form 46-201F1 escrow agreement among the Corporation, Computershare Investor Services Inc. (the “Escrow Agent”), and the Escrowed Holders (the “Escrow Agreement”). The Escrow Agreement provides that 10% of the escrowed securities will be released from escrow upon the Listing Date and that an additional 15% will be released therefrom every 6-month interval thereafter, over a period of 36 months.

Name	Designation of class	Number of securities held in escrow	Percentage of class as at the date of this Prospectus	Percentage of class after giving effect to the Offering ⁽⁴⁾
Rohan Wolfe	Common Shares	2,080,000	5.95%	4.25%
Brian Slusarchuk	Common Shares	2,000,000	5.72%	4.09%
Francisco Azevedo	Common Shares	2,400,000	6.87%	4.90%
Douglas Kirwin	Common Shares	1,200,000	3.43%	2.45%
Dinapique Holdings	Common Shares	1,200,000	3.43%	2.45%
Sumadeth Man	Common Shares	1,200,000	3.43%	2.45%
Tom Wharton	Common Shares	400,000	1.14%	0.82%
Chelmer Investments Corp.	Common Shares	100,000	0.29%	0.20%
Geraldine Ma	Common Shares	100,000	0.29%	0.20%

Latika Prasad	Common Shares	100,000	0.29%	0.20%
R. Stuart Angus	Common Shares	200,000	0.57%	0.41%

The Escrowed Holders hold, in the aggregate, 10,980,000 Common Shares, which are subject escrow as outlined above. In addition to the mandatory escrow pursuant to NP 46-201, the Escrowed Holders have agreed to a voluntary resale restriction on their first release of four months.

Voluntary Resale Restrictions

Shareholders who purchased shares of the Company pursuant to a financing conducted in tranches between February and April, 2019 at an issue price of \$0.125 (calculated on a post-Consolidation basis), which in the aggregate accounts for 21,905,000 Common Shares, have agreed to be subject to voluntary resale restrictions for a period of 18 months, with the first release of 25% of the escrowed securities occurring four months from the date of Listing, the second release of 25% of the escrowed securities occurring six months from the date of Listing, the third release of 25% of the escrowed securities occurring 12 months from the date of the Listing, and the fourth release of 25% of the escrowed securities occurring 18 months from the date of Listing.

Shareholders who purchased shares of the Company at an issue price of \$0.25, accounting for in the aggregate 5,345,000 Common Shares have agreed to be subject to voluntary resale restrictions for a period of 12 months, with release of 25% of the securities subject to such voluntary resale restrictions occurring at four, six, nine, and 12 months from the date of Listing.

TSXV Resale Restrictions

In addition to the escrow pursuant to NP 46-201 and the voluntary escrows outlined under the subheading “Voluntary Escrow”, it is anticipated that the TSXV will impose resale restrictions on certain securities, such that holders of the 21,905,000 Common Shares with an issue price of \$0.125 will be subject to a 12 month hold period with 20% of securities subject to such restriction released every three months (and the first release occurring as of the date of Listing), and holders of the 5,345,000 Common Shares with an issue price of \$0.25 will be subject to a four month hold period with 20% of securities subject to such restriction released every month (and the first release occurring as of the date of Listing).

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Company, no person directly or indirectly beneficially owns, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attaching to all the outstanding Common Shares as at the date of this Prospectus.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table sets out the names, provinces or states of residence, positions, principal occupations, and the number and percentage of Common Shares that are beneficially owned or controlled by each of the current directors and officers of the Company as at the date of this Prospectus. The current directors of the Company are Rohan Wolfe, Bryan Slusarchuk, Mark Eaton, Miguel Inchaustegui, and Francisco Azvedo and the current officers of the Company are Rohan Wolfe (CEO), Bryan Slusarchuk (President), Jonathan Richards (CFO and Corporate Secretary), and Francisco Azvedo (Vice President (Business Development)). The Company’s directors are expected to hold office until the next annual general meeting of shareholders and are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders.

Name, Age and City of Residence	Position(s)	Date Appointed	Principal Occupations Held During the Last 5 Years	Number and Percentage of Common Shares after giving effect to the Deemed Exercise of Subscription Receipts
Rohan Wolfe ⁽¹⁾	CEO & Director	Feb 01, 2019 and May 15, 2019	<ul style="list-style-type: none"> • CEO of Turmalina Metals (Jan 2019 – Present) • Consultant Geologist to 1112002 BC Ltd/Turmalina Copper (Mar 2017 – Jan 2019) • Vice President Exploration for High Power Exploration Inc. (Oct 2012-Nov 2017) 	2,080,000
Bryan Slusarchuk ⁽²⁾	President & Director	Feb 01, 2019 and May 15, 2019	<ul style="list-style-type: none"> • President and Director of K92 Mining Inc. (Oct 2015-Mar 2019); • Capital Markets Advisor, K92 Mining Inc. (Apr 2019-present); • Independent Capital Markets Consultant, Mining Industry. 	2,000,000
Francisco Azevedo	Vice President (Business Development) & Director	Feb 01, 2019 and May 15, 2019	<ul style="list-style-type: none"> • South America Exploration Manager, Gold Fields Ltd. From 2006 to February 2017. • Consultant, Turmalina Metals Corp, April 2007 to January 2019. 	2,400,000
Mark Eaton ⁽¹⁾⁽²⁾	Director	July 15, 2019	<ul style="list-style-type: none"> • Executive Chairman of Belo Sun Mining Corp. 	500,000
Jonathan Richards	CFO & Corporate Secretary	Feb 01, 2019	<ul style="list-style-type: none"> • CFO, European Electric Metals Inc. (Dec 2009-present); • CFO, Volcanic Gold Mines Inc. (Mar 2010-Mar 2017); • CFO, IDM Mining Ltd (Apr 2010-Sep 2014); • CFO, NioGold Mining Inc. (Jun 2010-Mar 2015); • CFO, Inform Resources Corp. (Oct 2011-Sep 2016); • Director, Organigram Holdings Inc. (Sep 2012-Aug 2014); • CFO, Meridian Mining Societas Europea (Dec 2014-Feb 2018); • Interim CFO, Meridian Mining Societas Europea (July 2018-present). 	Nil

Miguel Inchaustegui ⁽¹⁾⁽²⁾	Director	May 3, 2019	<ul style="list-style-type: none"> • Consultant on strategic issues, corporate affairs and sustainable development (May 2019 – present) • Vice Minister of Mines of Perú (May 2018 – April 2019) • Vice President of Corporate Affairs and Sustainable Development in the Americas and Corporate Secretary of the Board of Directors of Gold Fields La Cima (2012 to 2017) • Vice President of Government Affairs and Deputy Manager of Lumina Copper in Perú (2009 to 2012) 	Nil
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Notes:

(1) Denotes a member of the Audit Committee.

(2) Denotes a member of the Compensation Committee.

As of the date of this Prospectus, the directors and officers of the Company, as a group, own or control or exercise direction over 6,980,000 Common Shares, representing 19.97% of the issued and outstanding Common Shares as at such date and prior to the conversion of the Subscription Receipts.

Directors and Officers – Biographies

The following biographies provide information in respect of the current directors and officers of the Company.

Rohan Wolfe, Age 48 – Chief Executive Officer and Director

Dr. Wolfe is a graduate of CODES, University of Tasmania, where he gained a PhD in Economic Geology specializing in copper-gold porphyry and breccia systems. Rohan has over 22 years’ experience in exploration and development of copper, gold and molybdenum systems throughout Asia, Australia, the Middle East and South America. Rohan led the discovery and development of the high-grade Kharmagtai porphyry and tourmaline Cu-Au breccias for Ivanhoe Mines Mongolia, as Exploration Manager for Ivanhoe Mines Australia he was part of the award-winning discovery team for the Merlin Mo-Re ore body and as Vice President Exploration he was a founding member of South-American focused HPX. Dr. Wolfe brings extensive experience in the discovery and development of copper-gold systems and building exceptional exploration teams.

Bryan Slusarchuk, Age 44 – President and Director

Mr. Slusarchuk has significant international experience structuring, funding and operating companies involved in mineral exploration, development and production. In addition to experience operationally and in the conducting of equity raises, Mr. Slusarchuk has structured complex debt financing transactions in the United States, Canada and Europe with multiple top tier banks. This includes negotiating and securing the first ever funding of a mineral exploration company by the European Bank for Reconstruction and Development (EBRD). Mr. Slusarchuk is a past TEDx speaker on the topic of capital markets, was a senior advisor at a top tier Canadian brokerage firm, and is a member of multiple mining industry advocacy associations in emerging markets, through which he has regularly advised various governments on the formation of mining policy. He has experience on the Board of and as an officer of multiple publicly traded and private companies in Canada, the United States and Europe.

Jonathan Richards, Age 39 – Chief Financial Officer and Corporate Secretary

Mr. Richards has over a decade of resource-focused accounting and finance experience. He has accumulated extensive experience with Toronto Stock Exchange and venture-listed companies, as well as numerous private companies all over the world. It is expected that this role will take approximately 20% of Mr. Richards time. Mr. Richards is also the CFO of European Electric Metals Inc., and Interim CFO of Meridian Mining SE and Global UAV Technologies Inc. Mr. Richards holds a bachelor's degree in management studies with first-class honours from the University of Waikato, New Zealand, started his career with KPMG, and is a member of the Institute of Chartered Accountants of British Columbia.

Francisco (Chico) Azevedo, Age 59 – Vice President, Business Development and Director

Mr. Azevedo is a graduate in geology by the University of Brasilia, Brazil, and has 36 years of experience, specializing in the discovery and development of mineral deposits. He started his career initially in Brazil, with Unamgen, a company of GENCOR Group, of South Africa, from 1983 to 1996. He also held the position of Exploration Manager for IAMGOLD Corp, based in Mendoza, Argentina, until 2006. He was in charge of the exploration programs for Gold Fields Limited in South America, from 2006 to 2017, when two important discoveries were made and developed: Chucapaca (now San Gabriel), in Perú, and Salares Norte, in Chile. Mr. Azevedo brings his extensive experience in all processes required for the discovery and development of mineral deposits across South America.

Mark Eaton, Age 56 - Director

Mr. Eaton is a graduate of Hull University, England and is an experienced investment professional with over 20 years of experience in equity capital markets, specializing in the resource sector. He formerly held the positions of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto Canada, and Manager of U.S. Equity Sales for CIBC World Markets. He was a partner and director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer, until March 2008. He is currently the Executive Chairman of Belo Sun Mining Corp. Mr. Eaton brings extensive experience pertaining to compensation matters through his high-level experience both with large investment companies and with publicly listed resource companies.

Miguel Inchaustegui, Age 49 – Vice President Legal and Community and Director

Mr. Inchaustegui is a lawyer graduate of the University of Lima (Perú), with MBA from San Ignacio de Loyola University (Perú) and over 25 years of experience in Legal, Corporate Affairs and Sustainable Development, specializing in the mining sector. He formerly held the positions of Vice President of Corporate Affairs and Sustainable Development in the Americas, Corporate Secretary of the Board of Directors of Gold Fields La Cima (2012-2017) and Vice President of Government Affairs and Deputy Manager of Lumina Copper in Perú (2009-2012). He was Vice Minister of Mines of Perú from May 2018 to April 2019. He is currently a consultant on strategic issues, corporate affairs and sustainable development. Mr. Inchaustegui brings extensive exceptional track record on leading successful Community and Sustainable Development engagements.

Committees

The only committees of the Board of Directors are the Audit Committee, which consists of Rohan Wolfe, Miguel Inchaustegui, and Mark Eaton (Chair) and the Compensation Committee, which consists of Bryan Slursarchuk, Miguel Inchaustegui (Chair), and Mark Eaton.

Corporate Cease Trade Orders or Bankruptcies

No director or executive officer of the Company is, as at the date of this Prospectus, or was within 10 years before the date of this Prospectus, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person as acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No 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:

- (a) is, as at the date of the Prospectus, or has been within the 10 years before the date of the Prospectus, a director or executive officer of any 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
- (b) has, within the 10 years before the date of the Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No 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:

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

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Company also holding positions as directors or officers of other companies. Some of the individuals who will be directors and officers of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Company will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under British Columbia corporate law. Directors who are in a position of conflict will abstain from voting on any matters relating to the conflicting company.

EXECUTIVE COMPENSATION

In this section “Named Executive Officer” (an “**NEO**”) means each individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year (a “**CEO**”), each individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year (a “**CFO**”) and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CDN\$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

Rohan Wolfe, as CEO, Jonathan Richards, as CFO, and Francisco Azvedo, Vice President (Business Development), are the only NEOs of the Company for the purposes of the following disclosure.

Compensation Discussion and Analysis

The Company's executive compensation is intended to be consistent with the Company's business plans, strategies and goals, including the preservation of working capital. The Company's executive compensation program is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Board of Directors has appointed a Compensation Committee to determine the compensation of the Company's directors and NEOs. The Compensation Committee intends for executive compensation to be consistent with the Company's business plans, strategies and goals, including the preservation of working capital as the Company seeks to devote funds to the exploration of the San Francisco Project. Executive compensation is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Company has adopted a Stock Option Plan to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders. As of the date of this Prospectus, the Company has granted 4,225,000 Options. See "*Options to Purchase Securities.*"

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The compensation paid to the NEO of the Company during the period from incorporation on March 21, 2017 to December 31, 2018 is set out below and expressed in Canadian dollars unless otherwise noted:

Table of Compensation Excluding Compensation Securities

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Long-term incentive plans (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Rohan Wolfe CEO	2017	\$116,124	\$nil	\$nil	\$nil	\$nil	\$nil	\$116,124
	2018	\$156,050	\$nil	\$nil	\$nil	\$nil	\$nil	\$156,050
Francisco Azevedo VP-Business Development	2017	\$116,124	\$nil	\$nil	\$nil	\$nil	\$nil	\$116,124
	2018	\$156,050	\$nil	\$nil	\$nil	\$nil	\$nil	\$156,050
Jonathan Richards CFO & Secretary	2017	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil
	2018	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil

The anticipated compensation set out above is based on current conditions in the mineral exploration industry and on the associated approximate allocation of time for each NEO and director and is subject to adjustments based on changing market conditions and corresponding changes to required time commitments. Following the listing of the Common Shares on the Exchange, the Company will review its compensation policies and may adjust them if warranted by factors such as market conditions.

Stock Options and Other Compensation Securities

The Company was not a reporting issuer at any time during its most recently completed financial year. The following table discloses all anticipated compensation securities the Company expects to grant or issue to each Named Executive Officer and director once the Company becomes a reporting issuer:

Compensation Securities

Name and Position	Type of compensation security	Number of compensation securities and percentage of class	Date of issue or grant	Issue conversion of exercise price	Closing price of security on date of grant	Closing price of security at year-end	Expiry Date
Rohan Wolfe CEO	Options	575,000 (13.6%)	August 9, 2019	\$0.50	N/A	N/A	August 9, 2024
Francisco Azevedo VP-Business Development	Options	575,000 (13.6%)	August 9, 2019	\$0.50	N/A	N/A	August 9, 2024
Jonathan Richards CFO & Secretary	Options	300,000 (7.1%)	August 9, 2019	\$0.50	N/A	N/A	August 9, 2024

Stock Option Plans and Other Incentive Plans

See “Options to Purchase Securities”.

Employment, Consulting and Management Agreements

Francisco Azvedo entered into a consulting agreement with the Company dated April 1, 2017 for geological services provided to the Company, including the acquisition and development of properties, projects and assets exclusive to the Company, and the development of any reports, data compositions, or written works as required by the Company. Mr. Azvedo’s compensation in respect of such services includes cash compensation of US\$10,000 per calendar month.

Rohan Wolfe entered into a consulting agreement with the Company dated April 1, 2017 pursuant to which he was retained as a geologist to provide services to the Company, including the acquisition and development of properties, projects and assets exclusive to the Company, and the development of any reports, data compositions, or written works as required by the Company. Mr. Wolfe’s compensation in respect of such services includes cash compensation of US\$10,000 per calendar month.

Bryan Slusarchuk entered into a consulting agreement with the Company dated April 1, 2017 for services as President of the Company, pursuant to which Mr. Slusarchuk shall be compensated CAD\$10,000 per calendar month and be entitled to 575,000 Options, convertible into Common Shares at an exercise price of \$0.50 per Option, which were issued to Mr. Slusarchuk on August 9, 2019.

Jonathan Richards, through his consulting company Redfern Consulting Ltd., entered into an agreement dated February 1, 2019 to retain the services of Jonathan Richards as CFO for a minimum term of 12 months following which the agreement can be terminated on 30 calendar days notice. Mr. Richards’ compensation in respect of such services includes cash compensation of C\$5,000 per calendar month.

Director Compensation

The Company did not pay any compensation to its non-executive directors in the year ended December 31, 2018, other than compensation due to directors pursuant to consulting agreements entered into with the Company, as more particularly described in this section under the sub-heading “Employment, Consulting and Management Agreements”. Following Listing, the Company plans to provide the following compensation to its non-executive directors:

Mark Eaton shall receive a directors fee of CAD\$2,500 per calendar month. Additionally, Miguel Inchaustegui shall receive fees in the amount of US\$3,000 per calendar month.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee, former director, former executive officer or former employee of the Company is or has within 30 days before the date of this Prospectus been indebted to the Company or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or similar agreement provided by the Company, except for routine indebtedness.

AUDIT COMMITTEE

The Audit Committee's Mandate

The full text of the Audit Committee's charter is attached as Schedule E to this Prospectus.

Mandate and Responsibilities of the Audit Committee

The Audit Committee's mandate and responsibilities include: (i) reviewing and recommending for approval to the Board the financial statements, accounting policies that affect the statements, annual MD&A and associated press releases; (ii) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assessing those procedures; (iii) establishing and maintaining complaint procedures regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; (iv) overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing such other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting; (v) pre-approving all non-audit services to be provided to the Company or its subsidiary entities by the external auditor; (vi) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company; and (vii) reviewing and approving the Company's hiring policies regarding partners, employees, and former partners and employees of the present and former external auditor of the Company.

The Audit Committee is to meet at least quarterly to review financial statements and MD&A and to meet with the Company's external auditors at least once a year.

Composition of the Audit Committee

	Independent/Not Independent ⁽¹⁾	Financially Literate ⁽²⁾
Rohan Wolfe	Not independent	Yes
Miguel Inchaustegui	Independent	Yes
Mark Eaton (Chair)	Independent	Yes

Notes:

- (1) A member is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of that member's independent judgment.
- (2) A member is financially literate if such member has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issued that can reasonably be expected to be raised by the Company's financial statements.

All the proposed members of the Audit Committee are considered to be financially literate as required by section 1.6 of NI 52-110. Also see "Corporate Governance".

Relevant Education and Experience

For a summary of the experience and education of the Audit Committee members see "Directors and Executive Officers".

External Auditor Service Fees

The following table discloses the fees billed to the Company by its external auditor for the period from incorporation on March 21, 2017 to December 31, 2018:

Financial Year Ended	Audit Fees	Audited-Related Fees	Tax Fees	All Other Fees
December 31, 2017	\$nil	\$nil	\$nil	\$nil
December 31, 2018	\$nil	\$nil	\$nil	\$nil

Reliance on Certain Exemptions

The Company is a “venture issuer” as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a corporation, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The board of directors is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the opinion of the Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board of Directors facilitates its exercise of independent judgment in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board of Directors requires management to provide complete and accurate information with respect to the Company’s activities and to provide relevant information concerning the mineral exploration industry in order to identify and manage risks. The Board of Directors is responsible for monitoring the Company’s senior officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The independent members of the Board of Directors are Mark Eaton and Miguel Inchaustegui. The non-independent members of the Board of Directors are Rohan Wolfe, Bryan Slursarchuk and Francisco Azevedo.

Directorships

The following directors or proposed directors of the Company are currently directors of other reporting issuers (or equivalent in a foreign jurisdiction):

Name	Name of Reporting Issuer
Mark Eaton	Belo Sun Mining Corp. UEX Corporation K92 Mining Inc.

Orientation and Continuing Education

Turmalina will provide new directors with an orientation program upon joining the Company that includes copies of relevant financial, technical, scientific and other information regarding its products and meetings with management.

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Company's records.

Ethical Business Conduct

While Turmalina has not adopted a written code of business conduct and ethics, the Board will from time to time discuss and emphasize the importance of matters relating to conflicts of interest, protection and proper use of corporate assets and opportunities, confidentiality of corporate information, compliance with laws and the reporting of any illegal or unethical behaviour.

Nomination of Directors

It is the view of the Board that all directors, individually and collectively, should assume responsibility for nominating directors. The Board is responsible for identifying and recommending potential nominees for directorship and senior management. The Board will consider its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

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, shown support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

Compensation matters are currently determined by the Compensation Committee. The Compensation Committee is responsible for reviewing the compensation plans and severance arrangements for management, to ensure they are commensurate with comparable companies. The Compensation Committee will ensure that Turmalina has a plan for continuity of its officers and a compensation plan that is motivational and competitive.

Assessments

The Board and each individual director are regularly assessed regarding their effectiveness and contribution. The assessment considers and takes into account: (1) in the case of the Board, its mandate; and (2) in the case of an individual director, the applicable position description(s), if any, as well as the competencies and skills each individual director is expected to possess.

PLAN OF DISTRIBUTION

This Prospectus qualifies the distribution of the Common Shares issuable upon the deemed exercise of the previously issued Subscription Receipts. The Subscription Receipts were sold to subscribers at a price of \$0.50 per Subscription Receipt for aggregate proceeds of \$7,000,000, which amount was deposited into escrow pursuant to the terms of the Escrow Agreements. The Escrowed Funds will be released from escrow upon conversion of the Subscription Receipts, which shall occur on the earlier of four months and one day after the issue date of the Subscription Receipts, and the completion of certain conditions, specifically, the receipt of conditional approval of the TSXV for the Listing.

The Company intends to apply to list its Common Shares on the TSXV. Listing will be subject to the Company fulfilling all the listing requirements of the TSXV.

The Subscription Receipts were issued pursuant to the terms of the Subscription Receipt Certificates representing the Subscription Receipts. The Subscription Receipt Certificates provide, among other things, that holders of Subscription Receipts are entitled to receive in respect of each Subscription Receipt held, without additional consideration and without any further action on the part of the holder thereof, one Common Share. The Subscription Receipts will be deemed exercised for Common Shares on the satisfaction of the Escrow Release Conditions. If the Escrow Release Conditions are not met on or before November 28, 2019, the Subscription Receipts will immediately become null, void and of no further force or effect and the Escrowed Funds will be returned to the holders of Subscription Receipts.

In connection with the Private Placement, the Company paid aggregate finders' fees of \$420,000 cash.

Certificates representing the Common Shares to be issued upon deemed exercise of the Subscription Receipts will be available for delivery upon the deemed exercise of the Subscription Receipts.

The Subscription Receipts and the underlying Common Shares have not been and will not be registered under the U.S. Securities Act or under any state securities laws. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities qualified for distribution hereunder within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act).

Certain of the Subscription Receipts were offered and sold in the United States to a limited number of "accredited investors," as defined in Rule 501(a) of Regulation D under the U.S. Securities Act, pursuant to Rule 506 of Regulation D, and were issued as "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act. Any Common Shares issued on deemed exercise of the Subscription Receipts will also be "restricted securities," and the certificates representing such Common Shares will contain legends to the effect that the Common Shares have not been registered under the U.S. Securities Act and may only be offered for sale pursuant to certain exemptions from the registration requirements of the U.S. Securities Act.

The Company is not a reporting issuer in any province or territory of Canada.

As at the date of the 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 of Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor. Investors should carefully consider these risk factors, together with all of the other information included in this Prospectus, before deciding to purchase Common Shares. The occurrence of any of the following risks could materially adversely affect the Company's business, financial condition or operating results. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. A purchase of any of the Common Shares involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Common Shares should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the Common Shares.

Option over the Project

The Company's right to exercise its option over the Project will be dependent upon its compliance with the Option Agreements. This includes the fulfillment of drilling and exploration obligations as well as the expenditure of funds, and the payment of all option payments due under the Option Agreements. There can be no assurance that the Company will be able to comply with the provisions of the Option Agreements. If the Company is unable to fulfil the requirements of an Option Agreement, it is likely that it would be considered in default of such agreement and the

agreement could be terminated resulting in the loss of all rights to the Project, and the loss of all option payments made and expenditures incurred pursuant to the option to the date of termination of the Option Agreement. Additional funding will be required to fund the work expenditure commitments on the Project. There is no assurance that such funds will be available. Failure to obtain adequate financing on a timely basis could result in the loss of the Company's right to exercise the Project option.

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing. Failure to do so could result in the loss of the Company's interest in the Project.

Financing Risks

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the Project, or any additional properties in which the Company may acquire an interest. While the Company may generate additional working capital through further equity offerings or, if applicable, through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History and Negative Operating Cash Flow

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its Common Shares since incorporation and does not anticipate doing so. There are no known commercial quantities of mineral reserves on the Project.

The purpose of the Private Placement was to raise funds to carry out exploration and development on the Project [with the objective of establishing economic quantities of mineral reserves]. To the extent that the Company has a negative operating cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary [to determine whether or not a commercially mineable deposit exists on its Project]. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to holders of Common Shares. At present it is impossible to determine what amounts of additional funds, if any, may be required.

If the Company is unable to generate revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

Resale of Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of Common Shares issued upon the deemed exercise of the Subscription Receipts will be affected by such volatility.

There is currently no public trading market for the Common Shares, and the Company cannot assure that after listing a public trading market will continue to develop or be sustained. If a market does not continue to develop or is not sustained, it may be difficult to sell Common Shares at an attractive price or at all. The Company cannot predict the prices at which its Common Shares will trade.

Property Interests

The Company does not own the mineral rights pertaining to the Project or any of the other properties it holds an interest in. Rather, it holds an option to acquire a 100% interest in the Project. There is no guarantee the Company will be able to raise sufficient funding in the future to complete the conditions required in order to exercise its option with respect to the Project. If the Company loses or abandons its interest in the Project, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

Title to Assets

Searches of mining records are carried out in accordance with mining industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to its properties and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests. In addition, third parties may dispute the rights of the Company to its respective mining and other interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The Project is considered to be in the early exploration and development stage. As of the date of the Prospectus, no compliant mineral resources have been identified at the Project. There is no certainty that further exploration and development will result in the identification of indicated, or measured resources, or probable or proven reserves, at the Project, or that if any mineral resources or reserves are defined at the Project that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the

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

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore on the Project or elsewhere. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and 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 funds required for development can be obtained on a timely basis.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks may occur, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Liabilities that we incur may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event we could incur significant costs that could adversely impact our business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage our interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to us. These could include loss or forfeiture of mineral interests or other assets for nonpayment of fees or taxes, significant tax liabilities in connection with any tax planning effort we might undertake and legal claims for errors or mistakes by our personnel. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Common Shares.

Governmental and Environmental Regulations, Permits and Licenses

The future operations of the Company may require permits from various governmental and non-governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Project. The Company currently does not have any such permits in place.

The Company's operations are also subject to various laws, regulations, and permitting requirements governing the protection of the environment. Such environmental and other regulatory requirements affect the current and future operations of the Company, including exploration and development activities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations may require the submission and approval of environmental impact assessments to be conducted before permits can be obtained and there can be no assurances that

the Company will be able to obtain or maintain all necessary permits that may be required for operations to be conducted at economically justifiable costs. The cost of compliance has the potential to reduce the profitability of operations by increasing costs and delaying production.

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 for violations of applicable laws or regulations and, in particular, environmental laws.

There is no assurance that future changes to existing laws and regulations will not impact the Company. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

Environmental Hazards

All phases of our operations with respect to the San Francisco Project will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for noncompliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact our operations and future potential profitability. In addition, environmental hazards may exist on the San Francisco Project which is currently unknown. We may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the property, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on our operations and future potential profitability.

Competition

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future and to engage qualified personnel to explore and develop the Project.

Political Regulatory Risks with Foreign Operations

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Furthermore, the Company expects to conduct a material portion of its exploration, mine development and other mining activities in Argentina, which exposes the Company to certain jurisdictional risks including high rates of inflation; military repression; social and labour unrest; violent crime; extreme fluctuations in currency exchange rates; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; changes in taxation policies; restrictions on foreign exchanges and repatriation; and changing political norms, currency controls and governmental regulations that favour or require the Company to award contracts in, employ citizens of, or purchase supplies from, a particular jurisdiction.

Foreign Operations Risks

The Company expects to conduct exploration activities in Argentina which has, from time to time, experienced political and economic instability. The Company will be materially adversely affected by risks associated with political instability and violence, war and civil disturbance, acts of terrorism, expropriation or nationalization, change in fiscal regimes, fluctuations in currency exchange rates, high rates of inflation, underdeveloped industrial and economic infrastructure, and enforceability of contractual rights. Provincial governments of Argentina have considerable authority over exploration and mining in their province and there are Argentinean provinces that have passed various laws to curtail or ban mining activities in those provinces. Argentina has had and is currently enduring a period of high inflation that could increase the operating costs.

Foreign Exchange Rate Fluctuations

Fluctuations in currency exchange rates could have a significant effect on our result of operations. The Company does not currently engage in any hedging activities in connection with foreign currency requirements.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of industrial and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in the world market in United States dollars.

Shortages of Critical Parts, Equipment and Skilled Labour

Our ability to acquire critical resources such as input commodities, drilling equipment, tires and skilled labour due to increased worldwide demand, may cause unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditures and development schedules.

Conflicts of Interest

Directors of the Company are and may become directors of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such 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. The Company and its directors will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA, as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Claims and Legal Proceedings

We may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including claims relating to ex-employees. These matters may give rise to legal uncertainties or have unfavourable results. We will carry liability insurance coverage and mitigate risks that can be reasonably estimated. In addition, we may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact our financial position, cash flow and results of operations.

Risks Relating to our Shares Market Price of Shares and Volatility

The Common Shares do not currently trade on any exchange or stock market. Securities of microcap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in gold or other mineral prices or in our financial condition or results of operations. Other factors unrelated to our performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of our public float may limit the ability of some institutions to invest in Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources. The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. The market price of the Common Shares is affected by many other variables which are not directly related to our success and are, therefore, not within our control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for our Common Shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the Share price volatile in the future, which may result in losses to investors.

Personnel

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its exploration program on the Project. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

PROMOTERS

The Company has determined that each of Rohan Wolfe and Francisco Azvedo are promoters of the Company. Please see additional information regarding each of Mr. Wolfe and Mr. Azvedo's shareholdings and role in the Company under "Executive Compensation" and "Directors and Officers" respectively.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings outstanding, threatened or pending, as of the date hereof, by or against the Company or to which the Company is a party or to which its properties are subject, nor to the Company's knowledge are any such legal proceedings contemplated which could become material to a purchaser of Common Shares.

The Company is not currently aware of any:

- (a) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since its incorporation;
- (b) other penalties or sanctions imposed by a court or regulatory body against the Company, the disclosure of which are necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; or
- (c) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since its incorporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No insider, director or executive officer of the Company and no associate or affiliate of any director, executive officer or insider has any material interest, direct or indirect, in any transaction since incorporation that has materially affected or is reasonably expected to materially affect the Company.

AUDITORS

The current auditor of the Company is Davidson & Company LLP, with offices at Suite 1200, 609 Granville Street, Vancouver, British Columbia, V7Y 1G6.

REGISTRAR AND TRANSFER AGENT

Prior to filing the final prospectus, the Company intends to appoint Odyssey Trust Company as the transfer agent and registrar for the Company's Common Shares at its Vancouver office located at Suite 323, 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

MATERIAL CONTRACTS

There are no contracts of the Company, other than contracts entered into in the ordinary course of business, that are material to the Company, other than as set forth below:

- (a) the Option Agreements between the Company as Optionee and the Optionors, referred to under "*General Development of the Business of the Company*"; and
- (b) the Escrow Agreement, referred to under "*Escrowed Securities*".

EXPERTS AND INTERESTS OF EXPERTS

Information of a scientific or technical nature regarding the Project included in this Prospectus is excerpted or derived from the Technical Report. As at the date hereof, the author of the Technical Report, beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Company.

The independent auditor of the Company, Davidson & Company LLP, Chartered Professional Accountants, has informed the Company that it is independent with respect to the Company in accordance with applicable Canadian auditing standards.

AGENT FOR SERVICE OF PROCESS

Mr. Francisco Azevedo, Mr. Miguel Inchaustegui, and Aurora Mining SA have appointed the Company's counsel, McMillan LLP, located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, as their respective agent for service of process in British Columbia. It may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

PURCHASERS' STATUTORY RIGHT 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 or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CONTRACTUAL RIGHT OF RESCISSION

The Company has granted to each holder of a Subscription Receipt a contractual right of rescission of the prospectus-exempt transaction under which the Subscription Receipt was initially acquired. The contractual right of rescission provides that if a holder of a Subscription Receipt who acquires Common Shares on the exercise or deemed exercise of the Subscription Receipt as provided for in this Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of this prospectus or an amendment to this prospectus containing a misrepresentation,

- (a) the holder is entitled to rescission of both the holder's exercise or deemed exercise of its Subscription Receipt and the private placement transaction under which the Subscription Receipt was initially acquired,
- (b) the holder is entitled in connection with the rescission to a full refund of all consideration paid to the Company on the acquisition of the Subscription Receipt, and
- (c) if the holder is a permitted assignee of the interest of the original Subscription Receipt subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

OTHER MATERIAL FACTS

There are no material facts about the Company or the Private Placement that are not otherwise disclosed in this Prospectus.

SCHEDULE "A"
TURMALINA METALS CORP.
FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION
ON MARCH 21, 2017 TO DECEMBER 31, 2018
(AUDITED)

TURMALINA METALS CORP.
(Formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE YEAR ENDED DECEMBER 31, 2018

INDEPENDENT AUDITORS' REPORT

To the Directors of
Turmalina Metals Corp. (formerly Turmalina Metals Corp., and formerly 1112002 B.C. Ltd.)

Opinion

We have audited the accompanying consolidated financial statements of Turmalina Metals Corp. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.) (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017 and the consolidated statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the year ended December 31, 2018 and the period from inception on March 21, 2017 to December 31, 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and its cash flows for the year ended December 31, 2018 and the period from inception on March 21, 2017 to December 31, 2018 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditors' report includes Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditors' Responsibilities for the Audit of the consolidated Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Peter Maloff.

Vancouver, Canada

Chartered Professional Accountants

DATE

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	December 31, 2018	December 31, 2017
ASSETS		
Current		
Cash	\$ 22,965	\$ 79,015
Receivables and prepaid expenses	<u>479</u>	<u>276</u>
	23,444	79,291
Mineral property (Note 4)	<u>78,306</u>	<u>-</u>
	<u>\$ 101,750</u>	<u>\$ 79,291</u>
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Accounts payable and accrued liabilities (Note 5)	<u>\$ 318,774</u>	<u>\$ 130,427</u>
Shareholders' deficiency		
Share capital (Note 6)	2,198,752	1,460,000
Subscriptions receivable	-	(10,000)
Subscriptions received in advance	12,500	-
Deficit	<u>(2,428,276)</u>	<u>(1,501,136)</u>
	<u>(217,024)</u>	<u>(51,136)</u>
	<u>\$ 101,750</u>	<u>\$ 79,291</u>

Nature and continuance of operations (Note 1)

Subsequent events (Note 10)

Approved and authorized by the Board on [DATE], 2019.

<u>"Rohan Wolfe"</u>	Director	<u>"Bryan Slusarchuk"</u>	Director
Rohan Wolfe		Bryan Slusarchuk	

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Year Ended December 31, 2018	Period from inception on March 21, 2017 to December 31, 2017
EXPENSES		
Consulting fees (Note 5)	\$ 50,000	\$ 40,266
Directors fees (Note 5)	18,000	-
Exploration costs (Note 5)	124,511	-
Foreign exchange	6,649	2,601
Legal fees	94,676	9,420
Management fees (Note 5)	258,025	161,124
Office expense	5,181	3,079
Property investigation (Note 5)	245,219	191,874
Share based payments (Note 5 and 6)	-	960,575
Travel	124,879	132,197
Loss and comprehensive loss for the period	\$ (927,140)	\$ (1,501,136)
Basic and diluted loss per common share	\$ (0.07)	\$ (0.19)
Weighted average number of common shares outstanding – basic and diluted	13,806,137	7,824,843

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	December 31, 2018	Period from inception on March 21, 2017 to December 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (927,140)	\$ (1,501,136)
Items not affecting cash		
Share-based payments	-	960,575
Non-cash working capital item changes:		
Receivables and prepaid expenses	(203)	(276)
Accounts payable and accrued liabilities	<u>353,347</u>	<u>130,427</u>
Net cash used in operating activities	<u>(573,996)</u>	<u>(410,410)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of mineral property	<u>(78,306)</u>	-
Net cash used in investing activities	<u>(78,306)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	585,000	489,425
Share issuance costs	(1,248)	-
Subscriptions received in advance	<u>12,500</u>	<u>-</u>
Net cash provided by financing activities	<u>596,252</u>	<u>489,425</u>
Change in cash for the period	(56,050)	79,015
Cash, beginning of period	<u>79,015</u>	-
Cash, end of period	<u>\$ 22,965</u>	<u>\$ 79,015</u>
Non-cash financing and investing activities		
Issuance of shares related to settlement of debt	\$ 165,000	\$ -

No cash was paid for interest or taxes for the periods ended December 31, 2018 and 2017.

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Expressed in Canadian Dollars)

Share Capital						
	Number	Amount	Subscriptions receivable	Subscriptions received in advance	Deficit	Total
Balance, March 21, 2017						
Shares issued	11,680,000	1,460,000	(10,000)	-	-	1,450,000
Loss for the period	-	-	-	-	(1,501,136)	(1,501,136)
Balance, December 31, 2017	11,680,000	1,460,000	(10,000)	-	(1,501,136)	(51,136)
Shares issued for cash	4,600,000	575,000	10,000	-	-	585,000
Share issuance costs – cash	-	(1,248)	-	-	-	(1,248)
Shares issued in settlement of debt	1,320,000	165,000	-	-	-	165,000
Subscriptions received in advance	-	-	-	12,500	-	12,500
Loss for the year	-	-	-	-	(927,140)	(927,140)
Balance, December 31, 2018	17,600,000	2,198,752	-	12,500	\$ (2,428,276)	\$ (217,024)

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED DECEMBER 31, 2018

1. NATURE AND CONTINUANCE OF OPERATIONS

Turmalina Metals Corp. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.) (the “Company”) is a privately-held exploration company incorporated in Canada under the British Columbia Corporations Act on March 21, 2017. The Company is principally engaged in the acquisition and exploration of resource properties. The head office, records office, and principal address of the Company is 400-850 West Hastings Street, Vancouver, British Columbia, V6C 1E1. The Company changed its name to Turmalina Metals Corp from from Turmalina Copper Corp., on June 24, 2019 and to Turmalina Copper Corp., from 1112002 B.C. Ltd., on July 25, 2018. The Company is in the process of investing in potential new acquisitions and exploring and evaluating its resource properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. During the year ended December 31, 2018, the Company entered into an option agreement to acquire an interest in a property in Argentina (Note 4).

During the year ended December 31, 2018, the Company completed a share consolidation on the basis of 1 new common share for 2.5 common shares. All share and per share information have been amended retrospectively to reflect the share consolidation.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern.

The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

2. BASIS OF PREPARATION

Statement of compliance

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

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their value.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Aurora Mining S.A. During the year ended December 31, 2018, the Company acquired Aurora Mining S.A (“Aurora”) for a nominal amount. Aurora is incorporated in Argentina and its principal activity is mineral exploration. All inter-company balances and transactions are eliminated on consolidation.

Basis of Measurement

These consolidated financial statements are presented in Canadian dollars, which is also the Company's and its subsidiary's functional currency and have been prepared on a historical cost basis, except for certain financial instruments, which are carried at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

The most significant estimates relate to the valuation of deferred income tax amounts, impairment testing and calculation of share-based payments. Share-based payments, as measured with respect to the fair value of common shares issued. The Company has reviewed its exploration and evaluation assets for indications of impairment and adjusted the carrying values of the exploration and evaluation assets to reflect management's decision to impair certain properties. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred tax assets.

The most significant judgments relate to the functional currency of the Company and its subsidiary.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial assets

The Company classified its financial assets in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI"), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statements of loss and comprehensive loss in the period.

Financial assets at FVTOCI: Financial assets carried at FVTOCI are recorded at fair value and transaction costs are expensed in the statement (loss) income. Realized and unrealized gains and losses arising from changes in fair value of the financial assets held at FVTOCI are included in other comprehensive (loss) income in the period.

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED DECEMBER 31, 2018

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

Financial instruments (cont'd...)

Financial assets (cont'd...)

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date, and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

The following table shows the classification of the Company's financial assets under IFRS 9:

Financial asset	IFRS 9 Classification
Cash	FVTPL
Receivables	Amortized cost

Financial liabilities

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

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

Other financial liabilities - This category includes accounts payable and accrued liabilities, secured convertible debentures and flow-through obligation, all of which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statements of loss and comprehensive loss immediately, while transaction costs associated with all other financial instruments are included in the initial measurement of the financial instrument.

The following table shows the classification of the Company's financial liabilities under IFRS 9:

Financial liability	IFRS 9 Classification
Accounts payable and accrued liabilities	Other financial liabilities

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

Exploration and evaluation - mineral property

The Company is in the process of exploring its mineral property interests and has not yet determined whether these properties contain ore reserves that are economically recoverable.

All costs related to the acquisition of mineral properties, including option payments, are capitalized on an individual prospect basis. Amounts received for the sale of mineral properties and for option payments are treated as reductions of the cost of the property, with payments in excess of capitalized costs recognized in profit or loss. The recoverability of the amounts capitalized for the undeveloped mineral properties is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof. Subsequent recovery of the resulting carrying value depends on successful development or sale of the mineral property. If a mineral property does not prove viable, all unrecoverable costs associated with the project net of any impairment provisions are written off.

Exploration and evaluation expenditures are recognized in profit or loss. Costs incurred before the Company has obtained legal rights to explore on areas of interest are recognized in profit or loss. Expenditures incurred by the Company in connection with the exploration and evaluation of mineral resources after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable are capitalized.

Title to mineral properties involves inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently unreliable conveyance history characteristics of many mineral properties. The Company has investigated title to all of its mineral properties and proposed acquisition of mineral property interests and to the best of its knowledge the properties are in good standing.

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as mineral property costs or recoveries when the payments are made or received.

Impairment

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

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

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

Decommissioning provision

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

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

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

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to options, warrants, and similar instruments is computed using the treasury stock method. Diluted loss per share 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

Share-based payments are arrangements in which the Company receives goods or services in consideration for its own equity instruments granted to non-employees. These are accounted for as equity settled share-based payment transactions and measured at the fair value of goods and services received. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED DECEMBER 31, 2018

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

New standards not yet adopted

Certain pronouncements were issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2019. They have not been early adopted in these financial statements. In all cases the Company intends to apply these standards from application date as indicated below:

IFRS 16 Leases, the new leases standard, is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 has been also applied. The Company has reviewed IFRS 16 and evaluated all contractual lease agreements, the change does not have a significant impact on its consolidated financial statements.

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

4. MINERAL PROPERTY

El Tapau Project, Argentina

On September 24, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the El Tapau Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures and drilling as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
September 24, 2018 (paid)	40,000	-	-
September 24, 2019	70,000	300,000	-
September 24, 2020	100,000	-	3,000
September 24, 2021	250,000	-	4,000
September 24, 2022	1,000,000	750,000	-
	<u>1,460,000</u>	<u>1,050,000</u>	<u>7,000</u>

The third parties retain a 2.5% Net Smelter Returns royalty, which the Company may purchase for a payment of USD\$2,500,000.

Cerro Negro Project, Argentina

On September 25, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the Cerro Negro Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)
Upon signing LOI (paid)	5,000	-
September 25, 2018 (paid)	15,000	-
Upon receiving drilling permits (paid subsequently)	30,000	-
September 25, 2019	50,000	300,000
September 25, 2020	100,000	500,000
September 25, 2021	250,000	500,000
September 25, 2022	1,000,000	750,000
	<u>1,450,000</u>	<u>2,050,000</u>

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED DECEMBER 31, 2018

4. MINERAL PROPERTY (cont'd...)

Cerro Negro Project, Argentina (cont'd...)

The third parties retain a 2% Net Smelter Returns royalty, of which the Company may purchase 55%, or 1.1%, of the NSR for a payment of USD\$1,250,000.

Canchaque Project, Peru

On March 9, 2019, the Company entered into an option agreement, with third parties, to acquire a 100% interest in certain claims located in Peru, comprising the Canchaque Project. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Cash payment Portion Optional to issue in Shares	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
March 9, 2019 (paid subsequently)	50,000	0%	-	-
September 9, 2019	100,000	0%	-	-
March 9, 2020	100,000	0%	-	-
September 9, 2020	250,000	50%	500,000	2,000
March 9, 2021	300,000	50%	-	-
September 9, 2021	300,000	50%	500,000	2,500
March 9, 2022	400,000	50%	-	-
September 9, 2022	400,000	50%	750,000	3,000
March 9, 2023	500,000	50%	-	-
September 9, 2023	2,500,000	25%	750,000	4,000
	4,900,000		2,500,000	11,500

In addition to the items listed above, upon going public, the Company will issue 500,000 common shares.

The third parties will retain a 2% Net Smelter Returns royalty, which will be converted into a payment of USD \$2,500,000 in the event of: (i) commencement of commercial production; or (ii) the sale of the project to a party not affiliated with the Company; or (iii) an outright sale of or a change of control of the Company. Certain mining concessions are subject to Net Smelter Returns royalties of 1.5% which the Company can acquire for USD \$750,000. The USD\$ 750,000 will be deducted from the payment noted above.

During the years ended December 31, 2018, the Company has incurred acquisition costs as follows:

	El Tapau Project	Cerro Negro Project	Canchaque Project	Total
<i>Acquisition Costs</i>				
Opening balance, March 21, 2017 and December 31, 2017	\$ -	\$ -	\$ -	\$ -
Additions	52,259	26,047	-	78,306
Closing balance, December 31, 2018	\$ 52,259	\$ 26,047	\$ -	\$ 78,306

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED DECEMBER 31, 2018

5. RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

During the year ended December 31, 2018, the Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

	For the period ended December 31,	
	2018	2017
	\$	\$
Consulting and management fees	50,000	30,000
Director fees	18,000	-
Exploration and evaluation fees	117,038	-
Management fees	258,025	161,124
Property investigation	117,038	116,124
Share-based payments	-	411,675
	560,101	718,923

As at December 31, 2018, \$251,542 (2017 - \$65,000) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to professional fees and reimbursement of expenses.

6. SHAREHOLDERS' DEFICIENCY

Authorized

An unlimited number of common shares without par value.

Issued share capital

During the year ended December 31, 2018, the Company:

- a) Completed a series of non-brokered private placement, issuing a total of 4,600,000 common shares at a price of \$0.125 for cash proceeds of \$575,000.
- b) Settled debt in the amount of \$165,000 by issuance of 1,320,000 common shares.
- c) Paid \$1,248 in share issuance costs related to the private placements.

During the period ended December 31, 2017, the Company:

- a) Completed a non-brokered private placement, issuing 7,700,000 common shares having a fair value of \$962,500 for which the Company received cash proceeds of \$1,925 and recorded share-based payment expense of \$960,575.
- b) Completed two non-brokered private placements, issuing a total of 3,980,000 common shares at a price of \$0.125 for cash proceeds of \$487,500 and subscriptions receivable of \$10,000. The Company received \$10,000 relating to the subscriptions receivable during the year ended December 31, 2018.

TURMALINA METALS CORP. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED DECEMBER 31, 2018

7. INCOME TAXES

A reconciliation of income taxes (recovery) at statutory rates with the reported taxes for the years ended December 31, 2018 and 2017 are as follows:

	2018	2017
Loss before income taxes	\$ (927,140)	\$ (1,501,136)
Expected income tax (recovery)	\$ (250,000)	\$ (390,000)
Non-deductible and other items	(1,000)	245,000
Change in unrecognized deductible temporary differences	<u>251,000</u>	<u>145,000</u>
Income tax recovery	\$ -	\$ -

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

	2018	Expiry Date Range	2017
Exploration and evaluation assets	\$ 125,000	N/A	\$ -
Non-capital losses	<u>1,341,000</u>	2038	<u>538,000</u>
	\$ 1,466,000		\$ 538,000

8. SEGMENT INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of resource properties in multiple geographical location, refer to Note 4.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

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

The carrying value of receivables and accounts payable and accrued liabilities approximates fair value due to the short term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is classified as fair value through profit or loss. Receivables are classified at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities.

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

Risk management

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of goods and services tax receivable from the government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's practice has been to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions. As at December 31, 2018, the Company is not exposed to significant interest rate risk.

b) Foreign currency risk

The majority of purchases are transacted in the Canadian dollar. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' deficiency.

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

Capital management (cont'd...)

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

10. SUBSEQUENT EVENTS

Subsequent to December 31, 2018, the Company

- a) completed a non-brokered private placement consisting of 9,925,000 common shares at a price of \$0.125 per share for gross proceeds of \$1,240,625;
- b) completed a non-brokered private placement in two tranches consisting of 5,345,000 common shares at a price of \$0.25 per share for gross proceeds of \$1,336,250;
- c) Settled debt of \$260,000 via the issuance of 2,080,000 common shares;
- d) completed a non-brokered private placement consisting of 14,000,000 subscription receipts at a price of \$0.50 per subscription receipt for aggregate gross proceeds of \$7,000,000. Each Subscription Receipt entitles the holder thereof to receive, without payment of any further consideration, one Common Share upon the satisfaction of the Escrow Release Conditions.

The Escrowed Funds have been deposited into an interest-bearing escrow account, releasable to the Company upon the satisfaction of the Escrow Release Conditions, including the Company obtaining the receipt for the final prospectus. In the event that the Escrow Release Conditions are not satisfied, the Subscription Receipts will immediately become null, void and of no further force or effect and, as soon as reasonably possible, and in any event within ten (10) business days following the Escrow Deadline, the Escrowed Proceeds will be returned to the holders of Subscription Receipts in an amount per Subscription Receipt equal to: (i) the Escrowed Proceeds; and (ii) interest, if any, actually earned thereon to the date of the Escrow Deadline (less any applicable holdings taxes).

- e) Granted 4,225,000 stock options exercisable at a price of \$0.50 per common share for a period of 5 years to directors, officers and consultants.

SCHEDULE "B"
TURMALINA METALS CORP.
FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2019
(UNAUDITED)

TURMALINA METALS CORP.
(formerly Turmalina Copper Corp.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

For the three months ended March 31, 2019 and 2018

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
AS AT

	March 31, 2019	December 31, 2018
ASSETS		
Current		
Cash	\$ 589,012	\$ 22,965
Receivables and prepaid expenses	<u>8,771</u>	<u>479</u>
	597,783	23,444
Mineral property (Note 4)	<u>145,818</u>	<u>78,306</u>
	<u>\$ 743,601</u>	<u>\$ 101,750</u>
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities (Note 5)	<u>\$ 86,776</u>	<u>\$ 318,774</u>
Shareholders' equity (deficiency)		
Share capital (Note 6)	3,211,252	2,198,752
Subscriptions received in advance	272,500	12,500
Deficit	<u>(2,826,927)</u>	<u>(2,428,276)</u>
	<u>656,825</u>	<u>(217,024)</u>
	<u>\$ 743,601</u>	<u>\$ 101,750</u>

Nature and continuance of operations (Note 1)

Subsequent events (Note 9)

Approved and authorized by the Board on August [DATE], 2019.

<u>"Rohan Wolfe"</u>	Director	<u>"Bryan Slusarchuk"</u>	Director
Rohan Wolfe		Bryan Slusarchuk	

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	For the three months ended March 31, 2019	For the three months ended March 31, 2018
EXPENSES		
Consulting fees (Note 5)	\$ 24,001	\$ 24,451
Directors fees (Note 5)	12,000	4,500
Exploration costs (Note 5)	98,205	-
Foreign exchange	2,365	(1,610)
Legal fees	83,915	-
Management fees (Note 5)	49,838	63,998
Marketing and promotions	11,949	-
Office expense	4,410	1,281
Property investigation (Note 5)	29,757	86,994
Travel	<u>82,211</u>	<u>42,389</u>
Loss and comprehensive loss for the period	\$ (398,651)	\$ (222,003)
Basic and diluted loss per common share	\$ (0.02)	\$ (0.02)
Weighted average number of common shares outstanding – basic and diluted	20,760,222	11,680,000

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	For the three months ended March 31, 2019	For the three months ended March 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (398,651)	\$ (222,003)
Non-cash working capital item changes:		
Receivables and prepaid expenses	(8,292)	(16)
Accounts payable and accrued liabilities	<u>(28,002)</u>	<u>107,190</u>
Net cash used in operating activities	<u>(378,941)</u>	<u>(114,829)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of mineral property	<u>(67,512)</u>	-
Net cash used in investing activities	<u>(67,512)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	740,000	-
Subscriptions received in advance	<u>272,500</u>	<u>207,500</u>
Net cash provided by financing activities	<u>1,012,500</u>	<u>207,500</u>
Change in cash for the period	566,047	92,671
Cash, beginning of period	<u>22,965</u>	<u>79,015</u>
Cash, end of period	<u>\$ 589,012</u>	<u>\$ 171,686</u>

During the period ended March 31, 2019 the Company issued 2,060,000 shares in settlement of accounts payable and accrued liabilities of \$260,000. There were no other significant non-cash financing and investing activities during the periods ended March 31, 2019 and 2018. No cash was paid for interest or taxes for the periods ended March 31, 2019 and 2018.

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

Share Capital						
	Number	Amount	Subscriptions receivable	Subscriptions received in advance	Deficit	Total
Balance, December 31, 2017	11,680,000	\$ 1,460,000	\$ (10,000)	\$ -	\$ (1,501,136)	\$ (51,136)
Subscriptions received in advance	-	-	10,000	197,500	-	207,500
Loss for the period	-	-	-	-	(222,003)	(222,003)
Balance, March 31, 2018	11,680,000	\$ 1,460,000	\$ -	\$ 197,500	\$ (1,723,139)	\$ (65,639)
Balance, December 31, 2018	17,600,000	\$ 2,198,752	\$ -	\$ 12,500	\$ (2,428,276)	\$ (217,024)
Shares issued for cash	6,020,000	752,500	-	(12,500)	-	740,000
Shares issued for debt	2,080,000	260,000	-	-	-	260,000
Subscriptions received in advance	-	-	-	272,500	-	272,500
Loss for the period	-	-	-	-	(398,651)	(398,651)
Balance, March 31, 2019	25,700,000	\$ 3,211,252	\$ -	\$ 272,500	\$ (2,826,927)	\$ 656,825

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

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE PERIOD ENDED MARCH 31, 2019 AND 2018

1. NATURE AND CONTINUANCE OF OPERATIONS

Turmalina Metals Corp. (formerly Turmalina Copper Corp) (the “Company”) is a privately-held exploration company incorporated in Canada under the British Columbia Corporations Act on March 21, 2017. The Company is principally engaged in the acquisition and exploration of resource properties. The head office, records office, and principal address of the Company is 400-850 West Hastings Street, Vancouver, British Columbia, V6C 1E1. The Company changed its name to Turmalina Metals Corp from Turmalina Copper Corp., on June 24, 2019 and to Turmalina Copper Corp., from 1112002 B.C. Ltd., on July 25, 2018. The Company is in the process of investing in potential new acquisitions and exploring and evaluating its resource properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. During the year ended December 31, 2018, the Company entered into an option agreement to acquire an interest in a property in Argentina (Note 4).

During the year ended December 31, 2018, the Company completed a share consolidation on the basis of 1 new common share for 2.5 common shares. All share and per share information have been amended retrospectively to reflect the share consolidation.

These condensed consolidated interim financial statements (“Consolidated Financial Statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern.

The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”).

This condensed interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2018.

Basis of Presentation:

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their value.

The preparation of these financial statements required management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from these estimates. Critical estimates and judgments are discussed more fully in the Company's audited financial statements for the year ended December 31, 2018.

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE PERIOD ENDED MARCH 31, 2019 AND 2018

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

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Aurora Mining S.A. Aurora is incorporated in Argentina and its principal activity is mineral exploration. All inter-company balances and transactions are eliminated on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES

New and revised standards and interpretations

The accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2018, except for the following:

Leases - On January 1, 2019, the Company adopted IFRS 16 – Leases (“IFRS 16”) which replaced IAS 17 – Leases and IFRIC 4 – Determining Whether an Arrangement Contains a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applied in IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets.

The Company applied IFRS 16 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The lease liabilities will be measured at the present value of the remaining lease payments, discounted using the Company's estimated incremental borrowing rate as at January 1, 2019, the date of initial application, resulting in no adjustment to the opening balance of deficit. The associated right-of-use assets will be measured at the lease liabilities amount, plus prepaid lease payments made by the Company. The Company has implemented the following accounting policies permitted under the new standard:

- leases of low dollar value will continue to be expensed as incurred; and
- the Company will not apply any grandfathering practical expedients.

Adoption of IFRS 16 on January 1, 2019, did not result in any adjustments.

4. MINERAL PROPERTY

El Tapau Project, Argentina

On September 24, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the El Tapau Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures and drilling as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
September 24, 2018 (paid)	40,000	-	-
September 24, 2019	70,000	300,000	-
September 24, 2020	100,000	-	3,000
September 24, 2021	250,000	-	4,000
September 24, 2022	1,000,000	750,000	-
	<u>1,460,000</u>	<u>1,050,000</u>	<u>7,000</u>

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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4. MINERAL PROPERTY (cont'd...)

El Tapau Project, Argentina (cont'd...)

The third parties retain a 2.5% Net Smelter Returns royalty, which the Company may purchase for a payment of USD\$2,500,000.

Cerro Negro Project, Argentina

On September 25, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the Cerro Negro Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)
Upon signing LOI (paid)	5,000	-
September 25, 2018 (paid)	15,000	-
Upon receiving drilling permits (paid subsequently)	30,000	-
September 25, 2019	50,000	300,000
September 25, 2020	100,000	500,000
September 25, 2021	250,000	500,000
September 25, 2022	1,000,000	750,000
	<u>1,450,000</u>	<u>2,050,000</u>

The third parties retain a 2% Net Smelter Returns royalty, of which the Company may purchase 55%, or 1.1%, of the NSR for a payment of USD\$1,250,000.

Canchaque Project, Peru

On March 9, 2019, the Company entered into an option agreement, with third parties, to acquire a 100% interest in certain claims located in Peru, comprising the Canchaque Project. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Cash payment Portion Optional to issue in Shares	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
March 9, 2019 (paid)	50,000	0%	-	-
September 9, 2019	100,000	0%	-	-
March 9, 2020	100,000	0%	-	-
September 9, 2020	250,000	50%	500,000	2,000
March 9, 2021	300,000	50%	-	-
September 9, 2021	300,000	50%	500,000	2,500
March 9, 2022	400,000	50%	-	-
September 9, 2022	400,000	50%	750,000	3,000
March 9, 2023	500,000	50%	-	-
September 9, 2023	2,500,000	25%	750,000	4,000
	<u>4,900,000</u>		<u>2,500,000</u>	<u>11,500</u>

In addition to the items listed above, upon going public, the Company will issue 500,000 common shares.

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
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4. MINERAL PROPERTY (cont'd...)

Canchaque Project, Peru (cont'd...)

The third parties will retain a 2% Net Smelter Returns royalty, which will be converted into a payment of USD \$2,500,000 in the event of: (i) commencement of commercial production; or (ii) the sale of the project to a party not affiliated with the Company; or (iii) an outright sale of or a change of control of the Company. Certain mining concessions are subject to Net Smelter Returns royalties of 1.5% which the Company can acquire for USD \$750,000. The USD\$ 750,000 will be deducted from the payment noted above.

During the period ended March 31, 2019, the Company has incurred acquisition costs as follows:

	El Tapau Project	Cerro Negro Project	Canchaque Project	Total
<i>Acquisition Costs</i>				
Opening balance, March 21, 2017 and December 31, 2017	\$ -	\$ -	\$ -	\$ -
Additions	52,259	26,047	-	78,306
Closing balance, December 31, 2018	52,259	26,047	-	78,306
Additions	-	-	67,512	67,512
Closing balance, March 31, 2019	\$ 52,259	\$ 26,047	\$ 67,512	\$ 145,818

5. RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

During the period ended March 31, 2019, the Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

	For the three months ended March 31,	
	2019	2018
	\$	\$
Professional fees	30,000	-
Director fees	12,000	4,500
Exploration and evaluation fees	29,757	28,497
Management fees	49,838	63,998
Property investigation	29,757	28,497
	<u>151,352</u>	<u>125,492</u>

During the period ended March 31, 2019 the Company issued 1,800,000 shares in settlement of \$225,000 in debt owing to an officer of the Company. As at March 31, 2019 \$43,867 (December 31, 2018 - \$251,542) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to professional fees and reimbursement of expenses.

6. SHAREHOLDERS' DEFICIENCY

Authorized

An unlimited number of common shares without par value.

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
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(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE PERIOD ENDED MARCH 31, 2019 AND 2018

6. SHAREHOLDERS' DEFICIENCY (cont'd...)

Issued share capital

During the period ended March 31, 2019, the Company:

- a) Completed a non-brokered private placements consisting of 6,020,000 common shares at a price of \$0.125 per share for gross proceeds of \$752,500.
- b) Settled \$260,000 of debt via the issuance of 2,080,000 common shares.

During the year ended December 31, 2018, the Company:

- a) Completed a series of non-brokered private placement, issuing a total of 4,600,000 common shares at a price of \$0.125 for cash proceeds of \$575,000.
- b) Settled debt in the amount of \$165,000 by issuance of 1,320,000 common shares.
- c) Paid \$1,248 in share issuance costs related to the private placements.

7. SEGMENT INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of resource properties in multiple geographical location, refer to Note 4.

8. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

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

The carrying value of receivables and accounts payable and accrued liabilities approximates fair value due to the short term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is classified as fair value through profit or loss. Receivables are classified at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities.

Risk management

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

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

Risk management (cont'd...)

Credit risk (cont'd...)

The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of goods and services tax receivable from the government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's practice has been to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions. As at March 31, 2019, the Company is not exposed to significant interest rate risk.

b) Foreign currency risk

The majority of purchases are transacted in the Canadian dollar. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' deficiency.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

TURMALINA METALS CORP. (formerly Turmalina Copper Corp).
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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FOR THE PERIOD ENDED MARCH 31, 2019 AND 2018

9. SUBSEQUENT EVENTS

Subsequent to March 31, 2019 the Company:

- a) completed a non-brokered private placement consisting of 3,905,000 common shares at a price of \$0.125 per share for gross proceeds of \$488,125;
- b) completed a non-brokered private placement in two tranches consisting of 5,345,000 common shares at a price of \$0.25 per share for gross proceeds of \$1,336,250.
- c) completed a non-brokered private placement consisting of 14,000,000 subscription receipts at a price of \$0.50 per subscription receipt for aggregate gross proceeds of \$7,000,000. Each Subscription Receipt entitles the holder thereof to receive, without payment of any further consideration, one Common Share upon the satisfaction of the Escrow Release Conditions.

The Escrowed Funds have been deposited into an interest-bearing escrow account, releasable to the Company upon the satisfaction of the Escrow Release Conditions, including the Company obtaining the receipt for the final prospectus. In the event that the Escrow Release Conditions are not satisfied, the Subscription Receipts will immediately become null, void and of no further force or effect and, as soon as reasonably possible, and in any event within ten (10) business days following the Escrow Deadline, the Escrowed Proceeds will be returned to the holders of Subscription Receipts in an amount per Subscription Receipt equal to: (i) the Escrowed Proceeds; and (ii) interest, if any, actually earned thereon to the date of the Escrow Deadline (less any applicable holdings taxes).

- d) granted 4,225,000 stock options exercisable at a price of \$0.50 per common share for a period of 5 years to directors, officers and consultants.

SCHEDULE "C"
TURMALINA METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE PERIOD FROM INCORPORATION
ON MARCH 21, 2017 TO DECEMBER 31, 2018

TURMALINA METALS CORP.
(Formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.)

(“Turmalina” or “the Company”)

FORM 51-102F1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

Introduction

This Management’s Discussion and Analysis (“MD&A”) of Turmalina Metals Corp. (formerly Turmalina Copper Corp., and formerly 1112002 B.C. Ltd.) including its wholly owned subsidiary, Aurora Mining S.A (Argentina) is the responsibility of management and covers the year ended December 31, 2018. The MD&A takes into account information available up to and including [DATE], and should be read together with the audited consolidated financial statements for the year ended December 31, 2018.

Throughout this document the terms *we*, *us*, *our*, *the Company* and *Turmalina* refer to Turmalina Metals Corp. All financial information in this document is prepared in accordance with International Financial Reporting Standards (“IFRS”) and is presented in Canadian dollars unless otherwise indicated.

This document contains forward-looking statements. Please refer to “Note Regarding Forward-Looking Statements.”

Description of Business

The Company is a mineral resource company engaged in the business of acquiring and exploring mineral resource properties in South America. The Company's principal property is the San Francisco Project, located in San Juan Province, Argentina, which the Company has an option to acquire up to a 100% interest. In addition, the Company has an option agreement to acquire up to a 100% interest on the Chanchaque Project, located in Peru. Please refer to the "Exploration Projects" section below for the acquisition and project details.

Performance Summary and Subsequent Events

During the year ended December 31, 2018, the Company:

- On September 24, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the El Tapau Project, Argentina. Please refer to the Exploration Project section below for a description of the project and the key acquisition terms.
- On September 25, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the Cerro Negro Project, Argentina. Please refer to the Exploration Project section below for a description of the project and the key acquisition terms.
- During the year ended December 31, 2018, the Company completed a share consolidation on the basis of 1 new common share for 2.5 common shares. All share and per share information have been amended retrospectively to reflect the share consolidation.
- Completed a series of non-brokered private placement, issuing a total of 4,600,000 common shares at a price of \$0.125 for cash proceeds of \$575,000.
- Settled debt in the amount of \$165,000 by issuance of 1,320,000 common shares.

Subsequent to the year ended December 31, 2018, the Company

- Entered into an option agreement, with third parties, to acquire a 100% interest in certain claims located in Peru, comprising the Canchaque Project. Please refer to the Exploration Project section below for a description of the project and the key acquisition terms.
- Completed a non-brokered private placement consisting of 9,925,000 common shares at a price of \$0.125 per share for gross proceeds of \$1,240,625;
- Completed a non-brokered private placement in two tranches consisting of 5,345,000 common shares at a price of \$0.25 per share for gross proceeds of \$1,336,250;
- Settled debt of \$260,000 via the issuance of 2,080,000 common shares;
- Completed a non-brokered private placement consisting of 14,000,000 subscription receipts at a price of \$0.50 per subscription receipt for aggregate gross proceeds of \$7,000,000. Each Subscription Receipt entitles the holder thereof to receive, without payment of any further consideration, one Common Share upon the satisfaction of the Escrow Release Conditions.

The Escrowed Funds have been deposited into an interest-bearing escrow account, releasable to the Company upon the satisfaction of the Escrow Release Conditions, including the Company obtaining the receipt for the final prospectus. In the event that the Escrow Release Conditions are not satisfied, the Subscription Receipts will immediately become null, void and of no further force or effect and, as soon as reasonably possible, and in any event within ten (10) business days following the Escrow Deadline, the Escrowed Proceeds will be returned to the holders of Subscription Receipts in an amount per Subscription Receipt equal to: (i) the Escrowed Proceeds; and (ii) interest, if any, actually earned thereon to the date of the Escrow Deadline (less any applicable holdings taxes).

- Strengthened the management of the Company and appointed Mr. Rohan Wolfe - CEO, Mr. Bryan Slusarchuk - President, Mr. Francisco (“Chico”) Azevedo – VP Business Development, and Mr. Jonathan Richards – CFO and Corporate Secretary.
- Strengthened the Board of the Company and appointed Mr. Rohan Wolfe, Mr. Bryan Slusarchuk, Francisco Azevedo, at the AGM and subsequently appointed Mr. Mark Eaton and Mr. Miguel Inchaustehui. Ms. Latika Prasad resigned from the Board, the Company thanks Ms. Prasad for her contributions as a director of the Company.
- Granted 4,225,000 stock options exercisable at a price of \$0.50 per common share for a period of 5 years to directors, officers and consultants.

Unless described elsewhere in this report, there were no other significant events or transactions during or subsequent to the period to the date of this report.

Outlook

During the year ended December 31, 2018 and subsequent to year end the Company has entered into three option agreements on exploration projects in South America, has secured financing to fund initial exploration programs and is in the process of listing on the TSX-Venture exchange. The Company is funded to meet Phase I and II on the San Francisco projects as described in the Company’s 43-101.

As the Company has no source of revenue at this time, it will continue to require additional capital to fund future office and administrative expenditures and to advance the Company’s projects and complete project investigation activities.

EXPLORATION PROJECTS

Below is a description of the acquisition terms of the El Tapau Project and the Cerro Negro Project, together the San Francisco Project.

El Tapau Project, Argentina

On September 24, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the El Tapau Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures and drilling as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
September 24, 2018 (paid)	40,000	-	-
September 24, 2019	70,000	300,000	-
September 24, 2020	100,000	-	3,000
September 24, 2021	250,000	-	4,000
September 24, 2022	1,000,000	750,000	-
	<u>1,460,000</u>	<u>1,050,000</u>	<u>7,000</u>

The third parties retain a 2.5% Net Smelter Returns royalty, which the Company may purchase for a payment of USD\$2,500,000.

Cerro Negro Project, Argentina

On September 25, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the Cerro Negro Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)
Upon signing LOI (paid)	5,000	-
September 25, 2018 (paid)	15,000	-
Upon receiving drilling permits (paid subsequently)	30,000	-
September 25, 2019	50,000	300,000
September 25, 2020	100,000	500,000
September 25, 2021	250,000	500,000
September 25, 2022	1,000,000	750,000
	<u>1,450,000</u>	<u>2,050,000</u>

Subsequent to December 31, 2018 the Company entered into an agreement on the Canchaque Project, Peru. Below are the key terms of the acquisition.

Canchaque Project, Peru

On March 9, 2019, the Company entered into an option agreement, with third parties, to acquire a 100% interest in certain claims located in Peru, comprising the Canchaque Project. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Cash payment Portion Optional to issue in Shares	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
March 9, 2019 (paid subsequently)	50,000	0%	-	-
September 9, 2019	100,000	0%	-	-
March 9, 2020	100,000	0%	-	-
September 9, 2020	250,000	50%	500,000	2,000
March 9, 2021	300,000	50%	-	-
September 9, 2021	300,000	50%	500,000	2,500
March 9, 2022	400,000	50%	-	-
September 9, 2022	400,000	50%	750,000	3,000
March 9, 2023	500,000	50%	-	-
September 9, 2023	2,500,000	25%	750,000	4,000
	<u>4,900,000</u>		<u>2,500,000</u>	<u>11,500</u>

In addition to the items listed above, upon going public, the Company will issue 500,000 common shares.

The third parties will retain a 2% Net Smelter Returns royalty, which will be converted into a payment of USD \$2,500,000 in the event of: (i) commencement of commercial production; or (ii) the sale of the project to a party not affiliated with the Company; or (iii) an outright sale of or a change of control of the Company. Certain mining concessions are subject to Net Smelter Returns royalties of 1.5% which the Company can acquire for USD \$750,000. The USD\$ 750,000 will be deducted from the payment noted above.

San Francisco Projects

The Project is located in the Calingasta Department in the west-central San Juan Province of Argentina, approximately 130 km northwest from the capital of San Juan. The Project is a 3,399-hectare property located within the Frontal Cordillera mountain chain. The San Francisco Project is comprised of two separate sets of tenements, comprising of six mining claims, that have been farmed in to by Turmalina. The smaller group of

tenements comprised of 24 hectares and covers the old San Francisco de los Andes mine and the surrounding regional tenements of 3375 hectares owned by the Petra Gold Group

The geology at San Francisco consists of Late Permian diorite, granodiorite and quartz monzonite intrusives emplaced into Carboniferous sediments of the Agua Negra Formation. The intrusive rocks are part of a regional magmatic suite that are known to host porphyry-style copper and tourmaline breccia polymetallic base and precious metal type mineralization. Mineralization at the San Francisco project is of the tourmaline breccia style, but also includes quartz veins, which are predominantly gold, silver and copper rich that are considered to be synchronous to the mineralization of the tourmaline breccias.

The exploration concept at San Francisco is to test the multiple breccia pipes present within the project, which may create sufficient ores for a central processing facility.

To date five companies have conducted small scale mining or exploration at the San Francisco project, collecting over 2000 rock chip and soil samples. Two independent ground geophysical surveys have been completed with IP geophysics over various target areas and three limited drilling campaigns have occurred within the project, all with encouraging results for a total of 22 holes. Seven holes have been drilled at the San Francisco copper-gold mine and the remaining holes have been drilled as scout holes on various prospects.

For a summary on the projects please refer to the Prospectus or to the NI 43-101 Technical Report titled "NI 43-101 Technical Report, San Francisco Copper Gold Project, San Juan Province, Argentina" dated August 1, 2019 prepared by Neil Motton of Flitegold (Australia) Pty Ltd., released by the Company on August 9, 2019. Readers are encouraged to consult the Technical Report for additional information.

Future Exploration Plans

The Company intends to use the proceeds raised during the listing process to initiate the first phase work program, which is detailed in 43-101 Technical Report (the "Technical Report") dated August 1, 2019. The recommended work program includes a drill program to evaluate the resource potential at the San Francisco Project, with a drill out to a nominated depth of 170m below the surface within the primary ore zone. It is anticipated that this drill program would take place over a 12 month period, and would cost an estimated \$2,627,068, which is inclusive of a contingency for cost-overruns.

Subject to the results of the first phase work program, it is the intention of the Company to begin a second phase exploration program to meet the contractual commitments and requirements of the Option Agreements, which would include 3,000m drilling on the breccia targets identified by the Technical Report, a nine month field mapping and sampling program, and further geophysics. The completion of this second work program is anticipated to complete at least 15 months following the completion of the first work program and cost an estimated \$2,212,068. The recommended second phase work program is contingent on the completion and results from the first phase.

Below is a summary of our cumulative acquisition costs incurred by project as at December 31, 2018:

	El Tapau Project	Cerro Negro Project	Canchaque Project	Total
<i>Acquisition Costs</i>				
Opening balance, March 21, 2017 and December 31, 2017	\$ -	\$ -	\$ -	\$ -
Additions	52,259	26,047	-	78,306
Closing balance, December 31, 2018	\$ 52,259	\$ 26,047	\$ -	\$ 78,306

Dr. Rohan Wolfe, (MAIG, B.Sc. (Hon), PhD.), a Qualified Person under the meaning of Canadian National Instrument 43-101 and an officer of Turmalina, is responsible for the technical content of this Management's Discussion and Analysis.

Results of Operations

The audited consolidated financial statements reflect the financial condition of the Company's business for the year ended December 31, 2018. The significant events during the year which impact the financial results of the Company, some of which are discussed above in the performance summary, are:

- Entering into the El Tapau and Cerro Negro Project agreements, Argentina.
- The completion of a series of financings and the debt settlement
- The commencement of exploration activities

During the year ended December 31, 2018, the Company incurred a net loss of \$927,140 as compared to a net loss of \$1,501,136 for the period ended December 31, 2017.

Significant expenditures / movements included:

- Exploration expenditures on the Argentina projects of \$124,511 (2017 - \$nil).
- Property investigation expenditures of \$245,219 (2017 - \$191,874). During 2017 and 2018 the primary activity of the Company was the identification of projects of merit for the Company to acquire.
- Directors fees of \$18,000 (2017 - \$nil)
- Legal fees of \$94,676 (2017 - \$9,420). The increase was due to the increased activity, including entering into the option agreements on the exploration projects.
- Management fees of \$258,025 (2017 - \$161,124). This increased related to the increase in key management
- Share based payments of \$Nil (2017 - \$960,575). The Company did not record any share-based payment expenditure during 2018.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements.

	December 31, 2018	December 31, 2017
Total income	\$ -	\$ -
Exploration Activities	124,511	-
Net loss before income taxes	927,140	1,501,136
Net loss	927,140	1,501,136
Basic and diluted loss per share	0.07	0.19
Total assets	101,750	79,291
Working capital (deficiency)	(295,330)	(51,136)
Total long-term liabilities	-	-
Cash dividends	-	-

Summary of Quarterly Results

Prior to becoming a reporting issuer the Company did not prepare quarterly financial statements and, other than the Company's interim financial statements for the three months ended March 31, 2019 no quarterly financial information is available.

Discussion of Quarterly Results

The significant items impacting Turmalina's net loss are primarily from the changing levels of financing available, our project investigation and exploration activities, share-based compensation, and office and administrative expenses. Changing levels in exploration program and general and administrative costs fluctuate independently according to field activities at our properties or general corporate activities.

During the quarters previous quarters since incorporation the Company has completed various financings, completed significant project investigation, culminating in the Company entering into three separate project option agreements.

Fourth Quarter Results - during the fourth quarter the Company commenced exploration on its projects, as general activity increased due to the financings and acquisitions, and as the Company began building a strong management team and board

Liquidity

Turmalina's mineral exploration and development activities do not provide a source of income and we therefore have a history of losses, working capital deficiencies and an accumulated deficit. However, given the nature of our business, the results of operations as reflected in the net losses and losses per share do not provide a complete interpretation of our valuation.

As at December 31, 2018, the Company had a working capital deficit \$295,330. This balance included a cash balance of \$22,965 (December 31, 2017 - \$79,015) to settle current liabilities of \$318,774 (December 31, 2017 - \$130,427). Subsequent to period end the Company completed various financings (as described in the Performance Summary and Subsequent Event Section, including a \$7,000,000 Subscription Receipts financing. These financings have put the Company in a positive working capital position with sufficient funds to finance the next phase of exploration.

To maintain liquidity in the future, the Company continues to investigate additional project and financing opportunities and would consider raising capital via share issuances, debt facilities, joint venture arrangements, or a combination of these options. The Company has financed its operations to date primarily through the issuance of common shares.

Operating Activities: The Company does not generate cash from operating activities. Net cash used in the Company for operating activities, which includes exploration activities, for the year ended December 31, 2018 was \$573,996 compared to \$410,410 used for the period ended December 31, 2017.

Investing Activities: During the year ended December 31, 2018 the Company paid \$78,306 (US\$60,000) as option payments on the El Tapau and Cerro Negro projects, Argentina. The Company did not incur any investing costs during the period ended December 31, 2017.

Financing Activities: During the year ended December 31, 2018, the Company issued shares for net proceeds of \$596,252 (2017 - \$489,425).

The consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's continuing operations rely on the ability of the Company to continue to raise capital.

Related Party Transactions

The consolidated financial statements include the financial statements of the Company and its 100% owned subsidiary Aurora Mining S.A (Argentina):

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key

management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

During the year ended December 31, 2018, the Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

	For the period ended December 31,	
	2018	2017
	\$	\$
Consulting and management fees	50,000	30,000
Director fees	18,000	-
Exploration and evaluation fees	117,038	-
Management fees	258,025	161,124
Property investigation	117,038	116,124
Share-based payments	-	411,675
	560,101	718,923

As at December 31, 2018, \$251,542 (2017 - \$65,000) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to professional fees and reimbursement of expenses.

Outstanding Share Data

As at the date of this report the Company had 34,950,000 common shares issued and outstanding. In addition, the Company had 14,000,000 common shares to be issued upon deemed exercise of Subscription receipts (refer to Performance Summary). Upon deemed exercise of the Subscription Receipts, it is expected that there will be approximately 48,950,000 common shares issued and outstanding.

As at the date of this report the Company has 4,225,000 stock options outstanding. Each stock option is exercisable at a price of \$0.50 per common share, expiring August 9, 2024.

The Company did not have any warrants outstanding at the date of this report.

Contractual Obligations

Except as described herein or in the Company's consolidated financial statements at December 31, 2018, the Company had no material contractual obligations.

Off-Balance Sheet Arrangements

At December 31, 2018, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Capital Resources

The Company has no commitments for capital expenditures at the date of this report.

The Company will continue to seek capital. In the past the Company has raised capital through the issuance of common shares pursuant to private placement. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize

any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. barter

Risk Factors

Companies in the exploration stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices, changes in laws and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions. Risks and uncertainties the Company considers material in assessing its financial statements are described below.

Turmalina will require additional funding.

At December 31, 2018, the Company held cash of \$22,965 and accounts payable and accrued liabilities of \$295,330. As per the subsequent events noted above, subsequent to year end the Company raised additional financing and is in the process of closing a Subscriptions Receipts financing of \$7,000,000. The Company does not have any source of revenue will require additional funding and has historically relied upon equity subscriptions to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms.

Turmalina is subject to government regulation.

The Company's mineral exploration is, and any development activities will be, subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Exploration, development and mining activities can be hazardous and involve a high degree of risk.

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

Turmalina may be adversely affected by fluctuations in metal prices.

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of metals. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Infrastructure

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate

infrastructure could significantly delay or prevent the Company exploring and developing its projects and could result in higher costs.

Turmalina does not and likely will not insure against all risks.

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Turmalina to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

Turmalina may be subject to disputes.

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company.

All industries, including the mining industry, are subject to legal claims that are with and without merit. Due to the inherent uncertainty of the litigation process and dealings with regulatory bodies, there is no assurance that any legal or regulatory proceeding will be resolved in a manner that will not have a material and adverse effect on the Company.

Turmalina is dependent on key personnel.

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

Turmalina's officers and directors may have potential conflicts of interest.

Turmalina's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

Permits, licenses and approvals

In countries where we carry out exploration activities, the mineral rights or certain portions of them are owned by the relevant governments. These governments have entered into contracts with us, or granted permits or concessions that allow us to carry out operations or development and exploration activities there, but government policy could change. Any change that affects our rights to conduct these activities could have a material and adverse effect on the Company.

In addition, mineral exploration and mining activities can only be conducted by entities that have obtained or renewed exploration or mining permits and licenses in accordance with the relevant mining laws and regulations. The duration and success of each permitting effort are contingent upon many factors we do not control. In the case of foreign operations, governmental approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. There may be delays

in the review process. There is no guarantee that we will be granted the necessary permits and licenses, that they will be renewed, or that we will be in a position to comply with all conditions that are imposed.

All mining projects require a wide range of permits, licenses and government approvals and consents. It is not certain that we will be granted these at all, or in a timely manner. If we do not receive them for our mineral projects or are unable to maintain them, it could have a material and adverse effect on the Company.

Title to our mineral properties

We have investigated title to all of our mineral properties and, to the best of our knowledge we have or are entitled to title to all of our properties subject to the items described in the MD&A and in our financial statements dated December 31, 2018. Challenges may be made to the title to any of our properties and, if successful, they could impair development and/or operations at our mines or projects. There is no assurance that title to any of our properties will not be challenged.

New laws and regulations, or amendments to laws and regulations relating to mineral tenure and land title and usage, including expropriations and deprivations of contractual rights, if proposed and enacted, may affect our rights to our mineral properties. There is no assurance that we will be able to operate our properties as currently permitted or that we will be able to enforce our rights with respect to our properties.

Corruption and bribery

Our operations are governed by, and involve interactions with, many levels of government in foreign countries. We may not be able to complete some business transactions if we are subject to corruption or demands for bribes. Like most companies, we are required to comply with anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act, as well as similar laws in the countries in which we conduct our business. In recent years, there has been a general increase in both the severity of penalties and frequency of enforcement under such laws, resulting in greater punishment and scrutiny to companies convicted of violating anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also any third party agents. If we find ourselves subject to an enforcement action or are found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions being imposed on us resulting in a material adverse effect on the Company.

Reputational risk

Damage to our reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although we believe that we operate in a manner that is respectful to all stakeholders and take care in protecting our image and reputation, we do not have control over how we are perceived by others. Any reputation loss could result in decreased investor confidence and increased challenges in developing and maintaining community relations which may have adverse effects on the Company and the price of the Company's securities.

Changes in Accounting Policies including Initial Adoption

New standards not yet adopted

Certain pronouncements were issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2019. They have not been early adopted in these financial statements. In all cases the Company intends to apply these standards from application date as indicated below:

IFRS 16 Leases, the new leases standard, is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 has been also applied. The Company has reviewed IFRS 16 and evaluated all contractual lease agreements, the change does not have a significant impact on its consolidated financial statements.

IFRIC 23 – Uncertainty Over Income Tax Treatments: clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. It is effective for

annual periods beginning on or after January 1, 2019 with early adoption permitted. The Company does not expect that the adoption of this standard will have a material effect on the Company's consolidated financial statements.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Critical Accounting Policies and Estimates

Turmalina's accounting policies are described in Notes 2 and 3 of its annual audited consolidated financial statements for the year ended December 31, 2018. Management considers the following policies to be the most critical in understanding the judgments that are involved in the preparation of our consolidated financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows:

Use of Estimates

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

Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made.

The most significant estimates relate to the valuation of deferred income tax amounts, impairment testing and calculation of share-based payments. Share-based payments, as measured with respect to the fair value of common shares issued. The Company has reviewed its exploration and evaluation assets for indications of impairment and adjusted the carrying values of the exploration and evaluation assets to reflect management's decision to impair certain properties. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred tax assets. The most significant judgments relate to the functional currency of the Company and its subsidiary.

Exploration and evaluation assets

Exploration and evaluation assets include the costs of acquiring licenses (including option payments) and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. All costs related to the acquisition of mineral properties are capitalized by property as an intangible asset. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the profit and loss statement. The Company expenses costs related to the exploration and development of mineral properties and they are incurred.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial mining, or alternatively, sale of the respective areas of interest.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

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

If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to share capital. When vested options are forfeited or not exercised at the expiry date the amount previously recognized in share-based payments is revised from share-based payment reserve to deficit. Amounts recorded for forfeited or expired unexercised warrants are transferred to share capital.

Note Regarding Forward-Looking Statements

Except for historical information, this MD&A may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following: Turmalina has no assurance that the licences will be issued nor if issued, that they will be issued in a timely manner, general economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties.

This list is not exhaustive and these and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

This MD&A contains certain forward-looking statements. Although forward-looking statements and information contained in this MD&A are based on the beliefs of Turmalina management, which we consider to be reasonable, as well as assumptions made by and information currently available to Turmalina management, there is no assurance that the forward-looking statement or information will prove to be accurate. The forward-looking statements and information contained in this MD&A are subject to current risks, uncertainties and assumptions related to certain factors including, without limitations, obtaining all necessary approvals, feasibility of mine and plant development, exploration and development risks, expenditure and financing requirements, title matters, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices, and one-time events as well as risks, uncertainties and other factors discussed in our quarterly and annual and interim management's discussion and analysis. Should any one or more of these risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements and information may vary materially from those described herein. Accordingly, readers should not place undue reliance on forward-looking statements and information contained in this MD&A. We undertake no obligation to update forward-looking statements or information except as required by law.

**SCHEDULE “D”
TURMALINA METALS CORP.
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2019**

**TURMALINA METALS CORP.
(Formerly Turmalina Copper Corp.)**

(“Turmalina” or “the Company”)

**FORM 51-102F1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2019**

Introduction

This Management’s Discussion and Analysis (“MD&A”) of Turmalina Metals Corp. (formerly Turmalina Copper Corp.), including its wholly owned subsidiary, Aurora Mining S.A (Argentina) is the responsibility of management and covers the three month period ended March 31, 2019. The MD&A takes into account information available up to and including [DATE], and should be read together with the interim condensed consolidated interim financial statements for the period ended March 31, 2019 and with the audited consolidated financial statements for the year ended December 31, 2018.

Throughout this document the terms *we*, *us*, *our*, *the Company* and *Turmalina* refer to Turmalina Metals Corp. All financial information in this document is prepared in accordance with International Financial Reporting Standards (“IFRS”) and is presented in Canadian dollars unless otherwise indicated.

This document contains forward-looking statements. Please refer to “Note Regarding Forward-Looking Statements.”

Description of Business

The Company is a mineral resource company engaged in the business of acquiring and exploring mineral resource properties in South America. The Company's principal property is the San Francisco Project, located in San Juan Province, Argentina, which the Company has an option to acquire up to a 100% interest. In addition, the Company has an option agreement to acquire up to a 100% interest on the Chanchaque Project, located in Peru. Please refer to the "Exploration Projects" section below for the acquisition and project details.

Performance Summary and Subsequent Events

During the period ended March 31, 2019, the Company:

- Entered into an option agreement, with third parties, to acquire a 100% interest in certain claims located in Peru, comprising the Canchaque Project. Please refer to the Exploration Project section below for a description of the project and the key acquisition terms.
- Completed a non-brokered private placements consisting of 6,020,000 common shares at a price of \$0.125 per share for gross proceeds of \$752,500.
- Settled \$260,000 of debt via the issuance of 2,080,000 common shares.
- Strengthened the management of the Company and appointed Mr. Rohan Wolfe - CEO, Mr. Bryan Slusarchuk - President, Mr., Francisco ("Chico") Azevedo – VP Business Development, and Mr. Jonathan Richards – CFO and Corporate Secretary.

Subsequent to the period ended March 31, 2019, the Company

- Completed a non-brokered private placement consisting of 3,905,000 common shares at a price of \$0.125 per share for gross proceeds of \$488,125;
- Completed a non-brokered private placement in two tranches consisting of 5,345,000 common shares at a price of \$0.25 per share for gross proceeds of \$1,336,250;
- Completed a non-brokered private placement consisting of 14,000,000 subscription receipts at a price of \$0.50 per subscription receipt for aggregate gross proceeds of \$7,000,000. Each Subscription Receipt entitles the holder thereof to receive, without payment of any further consideration, one Common Share upon the satisfaction of the Escrow Release Conditions.

The Escrowed Funds have been deposited into an interest-bearing escrow account, releasable to the Company upon the satisfaction of the Escrow Release Conditions, including the Company obtaining the receipt for the final prospectus. In the event that the Escrow Release Conditions are not satisfied, the Subscription Receipts will immediately become null, void and of no further force or effect and, as soon as reasonably possible, and in any event within ten (10) business days following the Escrow Deadline, the Escrowed Proceeds will be returned to the holders of Subscription Receipts in an amount per Subscription Receipt equal to: (i) the Escrowed Proceeds; and (ii) interest, if any, actually earned thereon to the date of the Escrow Deadline (less any applicable holdings taxes).

- Strengthened the Board of the Company and appointed Mr. Rohan Wolfe, Mr. Bryan Slusarchuk, Francisco Azevedo, at the AGM and subsequently appointed Mr. Mark Eaton and Mr. Miguel Inchaustehui. Ms. Latika Prasad resigned from the Board, the Company thanks Ms. Prasad for her contributions as a director of the Company.
- Granted 4,225,000 stock options exercisable at a price of \$0.50 per common share for a period of 5 years to directors, officers and consultants.

Unless described elsewhere in this report, there were no other significant events or transactions during or subsequent to the period to the date of this report.

Outlook

The Company has entered into three option agreements on exploration projects in South America during the last 12 months, has secured financing to fund initial exploration programs and is in the process of listing on the TSX-Venture exchange. The Company is funded to meet Phase I and II on the San Francisco projects as described in the Company's 43-101.

As the Company has no source of revenue at this time, it will continue to require additional capital to fund future office and administrative expenditures and to advance the Company's projects and complete project investigation activities.

EXPLORATION PROJECTS

Below is a description of the acquisition terms of the El Tapu Project and the Cerro Negro Project, together with the San Francisco Project.

El Tapau Project, Argentina

On September 24, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the El Tapau Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures and drilling as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
September 24, 2018 (paid)	40,000	-	-
September 24, 2019	70,000	300,000	-
September 24, 2020	100,000	-	3,000
September 24, 2021	250,000	-	4,000
September 24, 2022	1,000,000	750,000	-
	<u>1,460,000</u>	<u>1,050,000</u>	<u>7,000</u>

The third parties retain a 2.5% Net Smelter Returns royalty, which the Company may purchase for a payment of USD\$2,500,000.

Cerro Negro Project, Argentina

On September 25, 2018, the Company entered into an option agreement with third parties to acquire a 100% interest in certain claims known as the Cerro Negro Project, Argentina. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Minimum Exploration Expenditures (USD \$)
Upon signing LOI (paid)	5,000	-
September 25, 2018 (paid)	15,000	-
Upon receiving drilling permits (paid subsequently)	30,000	-
September 25, 2019	50,000	300,000
September 25, 2020	100,000	500,000
September 25, 2021	250,000	500,000
September 25, 2022	1,000,000	750,000
	<u>1,450,000</u>	<u>2,050,000</u>

Canchaque Project, Peru

On March 9, 2019, the Company entered into an option agreement, with third parties, to acquire a 100% interest in certain claims located in Peru, comprising the Canchaque Project. The Company can acquire a 100% interest in the property by making payments and incurring exploration expenditures as follows:

	Cash Payment (USD \$)	Cash payment Portion Optional to issue in Shares	Minimum Exploration Expenditures (USD \$)	Minimum Drilling (Meters)
March 9, 2019 (paid subsequently)	50,000	0%	-	-
September 9, 2019	100,000	0%	-	-
March 9, 2020	100,000	0%	-	-
September 9, 2020	250,000	50%	500,000	2,000
March 9, 2021	300,000	50%	-	-
September 9, 2021	300,000	50%	500,000	2,500
March 9, 2022	400,000	50%	-	-
September 9, 2022	400,000	50%	750,000	3,000
March 9, 2023	500,000	50%	-	-
September 9, 2023	2,500,000	25%	750,000	4,000
	4,900,000		2,500,000	11,500

In addition to the items listed above, upon going public, the Company will issue 500,000 common shares.

The third parties will retain a 2% Net Smelter Returns royalty, which will be converted into a payment of USD \$2,500,000 in the event of: (i) commencement of commercial projection; or (ii) the sale of the project to a party not affiliated with the Company; or (iii) an outright sale of or a change of control of the Company. Certain mining concessions are subject to Net Smelter Returns royalties of 1.5% which the Company can acquire for USD \$750,000. The USD \$ 750,000 will be deducted from the payment noted above.

San Francisco Projects

The Project is located in the Calingasta Department in the west-central San Juan Province of Argentina, approximately 130 km northwest from the capital of San Juan. The Project is a 3,399-hectare property located within the Frontal Cordillera mountain chain. The San Francisco Project is comprised of two separate sets of tenements, comprising of six mining claims, that have been farmed in to by Turmalina. The smaller group of tenements comprised of 24 hectares and covers the old San Francisco de los Andes mine and the surrounding regional tenements of 3375 hectares owned by the Petra Gold Group

The geology at San Francisco consists of Late Permian diorite, granodiorite and quartz monzonite intrusives emplaced into Carboniferous sediments of the Agua Negra Formation. The intrusive rocks are part of a regional magmatic suite that are known to host porphyry-style copper and tourmaline breccia polymetallic base and precious metal type mineralization. Mineralization at the San Francisco project is of the tourmaline breccia style, but also includes quartz veins, which are predominantly gold, silver and copper rich that are considered to be synchronous to the mineralization of the tourmaline breccias.

The exploration concept at San Francisco is to test the multiple breccia pipes present within the project, which may create sufficient ores for a central processing facility.

To date five companies have conducted small scale mining or exploration at the San Francisco project, collecting over 2000 rock chip and soil samples. Two independent ground geophysical surveys have been completed with IP geophysics over various target areas and three limited drilling campaigns have occurred within the project, all with encouraging results for a total of 22 holes. Seven holes have been drilled at the

San Francisco copper-gold mine and the remaining holes have been drilled as scout holes on various prospects.

For a summary on the projects please refer to the Prospectus or to the NI 43-101 Technical Report titled “NI 43-101 Technical Report, San Francisco Copper Gold Project, San Juan Province, Argentina” dated August 1, 2019 prepared by Neil Motton of Flitegold (Australia) Pty Ltd., released by the Company on August 9, 2019. Readers are encouraged to consult the Technical Report for additional information.

Future Exploration Plans

The Company intends to use the proceeds raised during the listing process to initiate the first phase work program, which is detailed in 43-101 Technical Report (the “Technical Report”) dated August 1, 2019. The recommended work program includes a drill program to evaluate the resource potential at the San Francisco Project, with a drill out to a nominated depth of 170m below the surface within the primary ore zone. It is anticipated that this drill program would take place over a 12 month period, and would cost an estimated \$2,627,068, which is inclusive of a contingency for cost-overruns.

Subject to the results of the first phase work program, it is the intention of the Company to begin a second phase exploration program to meet the contractual commitments and requirements of the Option Agreements, which would include 3,000m drilling on the breccia targets identified by the Technical Report, a nine month field mapping and sampling program, and further geophysics. The completion of this second work program is anticipated to complete at least 15 months following the completion of the first work program and cost an estimated \$2,212,068. The recommended second phase work program is contingent on the completion and results from the first phase.

Below is a summary of our cumulative acquisition costs incurred by project as at March 31, 2019:

	El Tapau Project	Cerro Negro Project	Canchaque Project	Total
<i>Acquisition Costs</i>				
Opening balance, March 21, 2017 and December 31, 2017	\$ -	\$ -	\$ -	\$ -
Additions	52,259	26,047	-	78,306
Closing balance, December 31, 2018	52,259	26,047	-	78,306
Additions	-	-	67,512	67,512
Closing balance, March 31, 2019	\$ 52,259	\$ 26,047	\$ 67,512	\$ 145,818

Dr. Rohan Wolfe, (MAIG, B.Sc. (Hon), PhD.), a Qualified Person under the meaning of Canadian National Instrument 43-101 and an officer of Turmalina, is responsible for the technical content of this Management's Discussion and Analysis.

Results of Operations

The condensed consolidated interim financial statements reflect the financial condition of the Company's business for the period ended March 31, 2019. The significant events during the period which impact the financial results of the Company, some of which are discussed above in the performance summary, are:

- Entering into the Canchaque Project agreement, Peru.
- The completion of a series of financings and the debt settlement
- The commencement of the listing process

During the period ended March 31, 2019, the Company incurred a net loss of \$398,651 as compared to a net loss of \$222,003 for the period ended March 31, 2018.

Significant expenditures / movements included:

- Exploration expenditures on the Argentina projects of \$98,205 (2018 - \$nil).
- Property investigation expenditures of \$29,757 (2018 - \$86,994). During 2018 the primary activity of the Company was the identification of projects of merit for the Company to acquire. The Company entered into an agreement on the Canchaque project during the period ended March 31, 2019
- Legal fees of \$83,915 (2018 - \$nil). The increase was due to the increased activity, including entering into the option agreements on the exploration projects.
- Management fees of \$49,838 (2018 - \$63,998).
- Travel of \$82,211 (2018 - \$42,389). The increase related to the increased activity of the Company.

Summary of Quarterly Results

Prior to becoming a reporting issuer the Company did not prepare quarterly financial statements and, other than the Company's interim financial statements for the three months ended March 31, 2019 no quarterly financial information is available.

Discussion of Quarterly Results

The significant items impacting Turmalina's net loss are primarily from the changing levels of financing available, our project investigation and exploration activities, share-based compensation, and office and administrative expenses. Changing levels in exploration program and general and administrative costs fluctuate independently according to field activities at our properties or general corporate activities.

During the quarters previous quarters since incorporation the Company has completed various financings, completed significant project investigation, culminating in the Company entering into three separate project option agreements.

Liquidity

Turmalina's mineral exploration and development activities do not provide a source of income and we therefore have a history of losses, working capital deficiencies and an accumulated deficit. However, given the nature of our business, the results of operations as reflected in the net losses and losses per share do not provide a complete interpretation of our valuation.

As at March 31, 2019, the Company had working capital of \$511,007. This balance included a cash balance of \$589,012 (December 31, 2018 - \$22,965) to settle current liabilities of \$86,776 (December 31, 2018 - \$318,774). Subsequent to period end the Company completed various financings (as described in the Performance Summary and Subsequent Event Section, including a \$7,000,000 Subscription Receipts financing. These financings have put the Company in a positive working capital position with sufficient funds to finance the next phase of exploration.

To maintain liquidity in the future, the Company continues to investigate additional project and financing opportunities and would consider raising capital via share issuances, debt facilities, joint venture arrangements, or a combination of these options. The Company has financed its operations to date primarily through the issuance of common shares.

Operating Activities: The Company does not generate cash from operating activities. Net cash used in the Company for operating activities, which includes exploration activities, for the period ended March 31, 2019 was \$378,941 compared to \$114,829 used for the period ended March 31, 2019.

Investing Activities: During the period ended March 31, 2019 the Company paid \$67,512 (US\$50,000) as option payments on the Canchaque project, Peru. The Company did not incur any investing costs during the period ended December 31, 2018.

Financing Activities: During the period ended March 31, 2019, the Company issued shares for net proceeds of \$740,000 and received subscriptions in advance of \$272,500 (2018 - \$207,500).

The consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's continuing operations rely on the ability of the Company to continue to raise capital.

Related Party Transactions

The consolidated financial statements include the financial statements of the Company and its 100% owned subsidiary Aurora Mining S.A (Argentina):

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

During the period ended March 31, 2019, the Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

	For the three months ended March 31,	
	2019	2018
	\$	\$
Professional fees	30,000	-
Director fees	12,000	4,500
Exploration and evaluation fees	29,757	28,497
Management fees	49,838	63,998
Property investigation	29,757	28,497
	151,352	125,492

During the period ended March 31, 2019 the Company issued 1,800,000 shares in settlement of \$225,000 in debt owing to an officer of the Company. As at March 31, 2019 \$43,867 (December 31, 2018 - \$251,542) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to professional fees and reimbursement of expenses.

Outstanding Share Data

As at the date of this report the Company had 34,950,000 common shares issued and outstanding. In addition, the Company had 14,000,000 common shares to be issued upon deemed exercise of Subscription receipts (refer to Performance Summary). Upon deemed exercise of the Subscription Receipts, it is expected that there will be approximately 48,950,000 common shares issued and outstanding.

As at the date of this report the Company has 4,225,000 stock options outstanding. Each stock option is exercisable at a price of \$0.50 per common share, expiring August 9, 2024.

The Company did not have any warrants outstanding at the date of this report.

Contractual Obligations

Except as described herein or in the Company's consolidated financial statements at March 31, 2019, the Company had no material contractual obligations.

Off-Balance Sheet Arrangements

At March 31, 2019, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Capital Resources

The Company has no commitments for capital expenditures at the date of this report.

The Company will continue to seek capital. In the past the Company has raised capital through the issuance of common shares pursuant to private placement. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. barter

Risk Factors

Companies in the exploration stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices, changes in laws and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions. Risks and uncertainties the Company considers material in assessing its financial statements are described below.

Turmalina will require additional funding.

At March 31, 2019, the Company held cash of \$589,012 and accounts payable and accrued liabilities of \$86,776. As per the subsequent events noted above, subsequent to year end the Company raised additional financing and is in the process of closing a Subscriptions Receipts financing of \$7,000,000. The Company does not have an source of revenue will require additional funding and has historically relied upon equity subscriptions to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms.

Turmalina is subject to government regulation.

The Company's mineral exploration is, and any development activities will be, subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Exploration, development and mining activities can be hazardous and involve a high degree of risk.

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

Turmalina may be adversely affected by fluctuations in metal prices.

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of metals. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Infrastructure

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Company exploring and developing its projects and could result in higher costs.

Turmalina does not and likely will not insure against all risks.

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Turmalina to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

Turmalina may be subject to disputes.

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company.

All industries, including the mining industry, are subject to legal claims that are with and without merit. Due to the inherent uncertainty of the litigation process and dealings with regulatory bodies, there is no assurance that any legal or regulatory proceeding will be resolved in a manner that will not have a material and adverse effect on the Company.

Turmalina is dependent on key personnel.

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

Turmalina's officers and directors may have potential conflicts of interest.

Turmalina's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

Permits, licenses and approvals

In countries where we carry out exploration activities, the mineral rights or certain portions of them are owned by the relevant governments. These governments have entered into contracts with us, or granted permits or concessions that allow us to carry out operations or development and exploration activities there, but government policy could change. Any change that affects our rights to conduct these activities could have a material and adverse effect on the Company.

In addition, mineral exploration and mining activities can only be conducted by entities that have obtained or renewed exploration or mining permits and licenses in accordance with the relevant mining laws and regulations. The duration and success of each permitting effort are contingent upon many factors we do not control. In the case of foreign operations, governmental approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. There may be delays in the review process. There is no guarantee that we will be granted the necessary permits and licenses, that they will be renewed, or that we will be in a position to comply with all conditions that are imposed.

All mining projects require a wide range of permits, licenses and government approvals and consents. It is not certain that we will be granted these at all, or in a timely manner. If we do not receive them for our mineral projects or are unable to maintain them, it could have a material and adverse effect on the Company.

Title to our mineral properties

We have investigated title to all of our mineral properties and, to the best of our knowledge we have or are entitled to title to all of our properties subject to the items described in the MD&A and in our financial statements dated March 31, 2019. Challenges may be made to the title to any of our properties and, if successful, they could impair development and/or operations at our mines or projects. There is no assurance that title to any of our properties will not be challenged.

New laws and regulations, or amendments to laws and regulations relating to mineral tenure and land title and usage, including expropriations and deprivations of contractual rights, if proposed and enacted, may affect our rights to our mineral properties. There is no assurance that we will be able to operate our properties as currently permitted or that we will be able to enforce our rights with respect to our properties.

Corruption and bribery

Our operations are governed by, and involve interactions with, many levels of government in foreign countries. We may not be able to complete some business transactions if we are subject to corruption or demands for bribes. Like most companies, we are required to comply with anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act, as well as similar laws in the countries in which we conduct our business. In recent years, there has been a general increase in both the severity of penalties and frequency of enforcement under such laws, resulting in greater punishment and scrutiny to companies convicted of violating anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also any third party agents. If we find ourselves subject to an enforcement action or are found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions being imposed on us resulting in a material adverse effect on the Company.

Reputational risk

Damage to our reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although we believe that we operate in a manner that is respectful to all stakeholders and take care in protecting our image and reputation, we do not have control over how we are perceived by others. Any reputation loss could result in decreased investor confidence and increased challenges in developing and maintaining community relations which may have adverse effects on the Company and the price of the Company's securities.

Changes in Accounting Policies including Initial Adoption

New standards not yet adopted

The accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2018, except for the following:

Leases - On January 1, 2019, the Company adopted IFRS 16 – Leases (“IFRS 16”) which replaced IAS 17 – Leases and IFRIC 4 – Determining Whether an Arrangement Contains a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applied in IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets.

The Company applied IFRS 16 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The lease liabilities will be measured at the present value of the remaining lease payments, discounted using the Company's estimated incremental borrowing rate as at January 1, 2019, the date of initial application, resulting in no adjustment to the opening balance of deficit. The associated right-of-use assets will be measured at the lease liabilities amount, plus prepaid lease payments made by the Company. The Company has implemented the following accounting policies permitted under the new standard:

- leases of low dollar value will continue to be expensed as incurred; and
- the Company will not apply any grandfathering practical expedients.

Adoption of IFRS 16 on January 1, 2019, did not result in any adjustments.

Critical Accounting Policies and Estimates

Turmalina's accounting policies are described in Notes 2 and 3 of its annual audited consolidated financial statements for the year ended December 31, 2018. Management considers the following policies to be the most critical in understanding the judgments that are involved in the preparation of our consolidated financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows:

Use of Estimates

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

Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made.

The most significant estimates relate to the valuation of deferred income tax amounts, impairment testing and calculation of share-based payments. Share-based payments, as measured with respect to the fair value of common shares issued. The Company has reviewed its exploration and evaluation assets for indications of impairment and adjusted the carrying values of the exploration and evaluation assets to reflect management's decision to impair certain properties. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred tax assets. The most significant judgments relate to the functional currency of the Company and its subsidiary.

Exploration and evaluation assets

Exploration and evaluation assets include the costs of acquiring licenses (including option payments) and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. All costs related to the acquisition of mineral properties are capitalized by property as an intangible asset. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the profit and loss statement. The Company expenses costs related to the exploration and development of mineral properties and they are incurred.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial mining, or alternatively, sale of the respective areas of interest.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

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

If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to share capital. When vested options are forfeited or not exercised at the expiry date the amount previously recognized in share-based payments is revised from share-based payment reserve to deficit. Amounts recorded for forfeited or expired unexercised warrants are transferred to share capital.

Note Regarding Forward-Looking Statements

Except for historical information, this MD&A may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following: Turmalina has no assurance that the licences will be issued nor if issued, that they will be issued in a timely manner, general economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties.

This list is not exhaustive and these and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other

factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

This MD&A contains certain forward-looking statements. Although forward-looking statements and information contained in this MD&A are based on the beliefs of Turmalina management, which we consider to be reasonable, as well as assumptions made by and information currently available to Turmalina management, there is no assurance that the forward-looking statement or information will prove to be accurate. The forward-looking statements and information contained in this MD&A are subject to current risks, uncertainties and assumptions related to certain factors including, without limitations, obtaining all necessary approvals, feasibility of mine and plant development, exploration and development risks, expenditure and financing requirements, title matters, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices, and one-time events as well as risks, uncertainties and other factors discussed in our quarterly and annual and interim management's discussion and analysis. Should any one or more of these risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements and information may vary materially from those described herein. Accordingly, readers should not place undue reliance on forward-looking statements and information contained in this MD&A. We undertake no obligation to update forward-looking statements or information except as required by law.

SCHEDULE "E"
AUDIT COMMITTEE CHARTER

TURMALINA METALS CORP.
(the “Corporation”)

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors of the Corporation (the “**Board**”) in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each audit committee member must obtain an understanding of the principal responsibilities of audit committee membership as well and the Corporation’s business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Corporation.

2.2 Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the audit committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation’s Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 *External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

- (a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (a) review and approve the interim financial statements prior to their release to the public; and
- (b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 *Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
 - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount

of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(a) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about audit committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 Financial Reporting

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Corporation's adoption of them.

Annual Financial Statements

- (a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether

the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;

- (b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (c) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (d) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (e) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (b) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (c) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the Corporation's operations and financing practices;
 - (iii) generally accepted accounting principles have been consistently applied;
 - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
 - (v) there are any significant or unusual events or transactions;
 - (vi) the Corporation's financial and operating controls are functioning effectively;
 - (vii) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

(viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 *Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry “best practices”;
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 *Other Responsibilities*

- (a) review, with the Corporation’s counsel, any legal matters that could have a significant impact on the Corporation’s financial statements.

CERTIFICATE OF THE COMPANY

Dated: August 13, 2019

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, Manitoba, and Ontario.

“Rohan Wolfe”

Rohan Wolfe
Chief Executive Officer and Director

“Jonathan Richards”

Jonathan Richards
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Bryan Slursarchuk”

Bryan Slursarchuk
Director

“Francisco Azevedo”

Francisco Azevedo
Director

CERTIFICATE OF THE PROMOTERS

Dated: August 13, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Turmalina Metals Corp. as required by the securities legislation of British Columbia, Alberta, Manitoba, and Ontario

“Rohan Wolfe”

Rohan Wolfe

“Francisco Azvedo”

Francisco Azvedo