

A copy of this preliminary prospectus has been filed with the securities regulatory authority in Ontario, and a copy of this amended and restated prospectus dated August 8, 2019, amending and restating the prospectus dated May 24, 2019, has been filed with the securities regulatory authorities in British Columbia and Alberta, but has not yet become final for the purpose of the sale of securities. Information contained in this prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the amended and restated prospectus is obtained from the securities regulatory authorities in British Columbia and Alberta and a receipt for the preliminary prospectus is obtained from the securities regulatory authority in Ontario.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR UNDER ANY STATE SECURITIES LAWS, AND THE SECURITIES REPRESENTED HEREBY MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO LODGE RESOURCES INC., (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) WITH THE PRIOR WRITTEN CONSENT OF LODGE RESOURCES INC., PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, PROVIDED THAT AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO LODGE RESOURCES INC. IS PROVIDED TO THE EFFECT THAT SUCH TRANSFER DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS. THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE.

**DRAFT AMENDED AND RESTATED PROSPECTUS DATED AUGUST 8, 2019 AMENDING
AND RESTATING THE PROSPECTUS DATED MAY 24, 2019 IN BRITISH COLUMBIA AND
ALBERTA**

PRELIMINARY PROSPECTUS DATED AUGUST 8, 2019 IN ONTARIO

Initial Public Offering

Date: August 8, 2019

LODGE RESOURCES INC.
Suite 1510-789 West Pender Street
Vancouver, British Columbia, V6C 1H2

Offering: \$350,000 (3,500,000 Common Shares)

Price: \$0.10 per Common Share

This amended and restated prospectus (the "Prospectus") qualifies the distribution by Lodge Resources Inc. (the "Issuer") by offering on a commercially reasonable efforts basis, to purchasers resident in British Columbia, Alberta, and Ontario through its agent, PI Financial Corp. (the "Agent"), 3,500,000 common

shares of the Issuer (the “Common Shares”) at a price of \$0.10 per Common Share, for gross proceeds of \$350,000 (the “Offering”). This Prospectus qualifies the distribution of 3,500,000 Common Shares.

	Price to Public⁽¹⁾	Agent’s Commission⁽²⁾	Proceeds to the Issuer⁽³⁾
Per Common Share	\$0.10	\$0.008 ⁽²⁾	\$0.092
Total Offering	\$350,000	\$28,000	\$322,000

Notes:

- (1) The price to the public was determined by arm’s length negotiation in accordance with the policies of the Exchange (as defined below) between the Issuer and the Agent which has agreed to act as the Issuer’s financial advisor and exclusive financing agent in the public offering of the Common Shares on a commercially reasonable efforts basis, in accordance with the agency agreement between the Issuer and the Agent dated for reference May 24, 2019 (the “Agency Agreement”).
- (2) In connection with the Offering, the Agent will receive a cash commission of 8% of the gross proceeds from the Common Shares sold (the “Agent’s Commission”). In addition, the Agent will receive non-transferable options (the “Agent’s Options”) to purchase that number of Common Shares (the “Agent’s Option Shares”) equal to 8% of the total number of Common Shares sold pursuant to the Offering, at a price of \$0.10 per Agent’s Option Share for twenty-four (24) months following the date on which the Common Shares are listed on the Exchange (as hereafter defined). Each Agent’s Option is exercisable into one Agent’s Option Share. The Agent’s Options are non-transferable.

The Issuer has agreed to pay the Agent a corporate finance fee of \$22,500, plus G.S.T. (the “Corporate Finance Fee”), of which \$11,812.50 including G.S.T. has been paid to the Agent as a non-refundable deposit. The Issuer has also agreed to pay the Agent’s expenses in connection with the Offering, including legal fees and disbursements and the Agent’s reasonable out-of-pocket expenses for which the Issuer has paid a \$10,000 retainer (the “Agent’s Expenses”). See “Plan of Distribution”.

- (3) Before deducting the balance of the costs of this issue, which are estimated to be \$72,622.50, which includes the Agent’s Expenses relating to the Offering. See “Use of Proceeds”.

On May 16, 2019, the Issuer received conditional approval to its application for listing on the Canadian Securities Exchange (the “Exchange”). Listing is subject to the Issuer fulfilling all of the listing requirements of the Exchange, which include completion of the distribution of the Common Shares to a minimum number of public shareholders.

An investment in the securities of the Issuer is highly speculative due to the nature of the Issuer's business and its present stage of development. At present, the Issuer's properties have no known commercial body of ore and the proposed work programs are only for the purpose of exploring for ore without the assurance of finding any commercial body of ore. An investment in natural resource issuers involves a significant degree of risk. The degree of risk increases substantially where the properties are in the exploration stage as opposed to the development stage.

Further, investments in early stage businesses such as the Offering involve a high degree of risk and investors should not invest any funds in this Offering unless they can afford to lose their entire investment. Subscribers must rely upon the ability, expertise, judgment, integrity and good faith of the management of the Issuer.

The Issuer was incorporated to find, explore and develop natural resource properties in North America. The Issuer has no present intention to pay any dividends on its Common Shares or any other classes of its securities. See “Description of the Securities Distributed.” The Issuer has no history of earnings. See “Risk Factors.”

The Offering is not underwritten and is subject to the sale of a minimum of 3,500,000 Common Shares on or before 90 days from the date of issuance of a final receipt for the final prospectus, unless an

amendment to the final prospectus is filed and the regulatory authorities have issued a receipt for the amendment, in which case the distribution will cease within 90 days from the date of issuance of a receipt for the amendment, and in any event, not later than 180 days from the date of the receipt for the final prospectus. See “Plan of Distribution.”

Upon completion of the Offering, 2,690,000 Common Shares will be directly or indirectly or beneficially owned by directors, officers, promoters, insiders, holders of performance shares or escrow securities as a group and the public will own 4,635,000 Common Shares, for an aggregate number of 7,325,000 Common Shares, assuming completion of the Offering. See “Directors and Officers”.

Securities Issuable to Agent

Agent’s Position	Maximum size or number of securities available	Exercise period or acquisition date	Exercise price or average acquisition price
Agent’s Options ⁽¹⁾	280,000 Agent’s Option Shares	24 months following the date on which the Common Shares are listed on the Exchange	\$0.10 per Agent’s Option Share

Note: (1) The Agent’s Options are qualified for distribution by this Prospectus. See “Plan of Distribution”.

The Prospectus also qualifies the distribution of 100,000 Common Shares which will be issued on the date on which the Common Shares are listed on the Exchange as part of the payment under the Comstock Property Option Agreement (as defined herein) for the Issuer’s principal Property (as defined below). See “Description of the Business” and “Plan of Distribution”.

All funds received pursuant to the Offering will be held by the Agent in trust. If the minimum amount of the Offering is not raised within 90 days of the date of issue of receipt for the final prospectus, or the date of issue of receipt of an amendment to the final prospectus and agreed to by the Agent and each of the purchasers who have subscribed within the said 90-day period, all subscription monies will be retained by the Agent and returned to the purchasers, or any party designated by such purchasers, without interest or deduction. It is expected that the Common Shares will be delivered in electronic book entry form through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee upon closing of the Offering unless the Agent elects for physical share certificates which would be available for delivery upon Closing. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased. No person is authorized by the Issuer to provide any information or to make any representation other than those contained in this Prospectus in connection with the issue and sale of the securities offered by the Issuer.

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

The Agent conditionally offers the Common Shares on a commercially reasonable efforts basis, if, as and when issued by the Issuer and accepted by the Agent in accordance with the conditions contained in the Agency Agreement. See “Plan of Distribution”. Subscriptions will be received, subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See “Risk Factors”. The Issuer has applied to list its

Common Shares on the Exchange. Listing is subject to the Issuer fulfilling all the listing requirements of the Exchange.

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

Certain legal matters relating to the securities offered hereunder will be passed upon by Buttonwood Law Corporation on behalf of the Issuer and by Miller Thomson LLP on behalf of the Agent.

AGENT

PI FINANCIAL CORP.
1900-666 Burrard Street
Vancouver, BC
V6C 3N1
Tel: (604) 664-2900
Facsimile: (604) 664-3660

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LODGE RESOURCES INC.

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 Issuer	Lodge Resources Inc. (previously defined as the “Issuer”) was incorporated under the laws of the Province of British Columbia on October 24, 2018. The Issuer was formed to acquire, explore and develop mining claims in North America. To date, the Issuer, through its Subsidiary, has entered into the Comstock Property Option Agreement (as defined herein) pursuant to which it has agreed to purchase a 100% interest in the Comstock property (the “Property”). See “Narrative Description of the Business” on page 21 of this Prospectus.
Business of the Issuer	The principal business of the Issuer is the exploration and, if warranted, development of natural resource properties. See “Description of the Business” on page 18 of this Prospectus.
Principal Property	The Issuer’s principal property is the Property, located within the regional Quesnel Trough, a 30 to 60 km wide belt of Lower Mesozoic volcanic and related strata stretching from the United States border in the south to the northern British Columbia border. The Property consists of 12 contiguous claims that cover an area of 664 hectares. See “Narrative Description of the Business: Property Description and Location” on page 21 of this Prospectus.
The Offering	The Offering consists of 3,500,000 Common Shares for gross proceeds of \$350,000. All funds received from the Offering will be held by the Agent in trust pursuant to the Agency Agreement. If the Offering is not completed within 90 days of the later of the date of issue of the receipt for the final prospectus, or the date of issue of receipt for an amendment to the final prospectus, and in any event not later than 180 days from the date of the receipt for the final prospectus, all subscription monies will be retained by the Agent and returned to the purchasers, or any party designated by such purchasers, without interest or deduction. See “Description of the Securities Distributed” on page 71, “Plan of Distribution” on page 97 and “Use of Proceeds” on page 49 of this Prospectus.
Offering Jurisdictions	The Offering will be made in the Provinces of British Columbia, Alberta, and Ontario. See “Plan of Distribution” on page 97 of this Prospectus.
Closing	Completion of the Offering must occur no later than 90 days from the final prospectus receipt date unless an amendment to the final prospectus is filed and the regulatory authorities have issued a receipt for the amendment, in which case the Offering must complete within 90 days from the date of the issuance of a receipt for the amendment and, in any event, not later than 180 days from the date of the final prospectus receipt date. See “Plan of Distribution” on page 97 of this Prospectus.
Agent's Commission	The Agent will receive a cash commission of 8% of the gross proceeds of the Offering. See “Plan of Distribution” on page 97 of this Prospectus.
Agent's Option	At the closing of the Offering, the Issuer will grant the Agent’s Options to the Agent

	exercisable by the holder thereof to purchase a number of Agent's Option Shares equal to 8% of the number of Common Shares sold in the Offering, at an exercise price of \$0.10 per Agent's Option Share for twenty-four (24) months following the date on which the Common Shares are listed on the Exchange. See "Plan of Distribution" on page 97 of this Prospectus.
Corporate Finance Fees and Due Diligence Deposit	The Issuer has agreed to pay to the Agent a corporate finance fee of \$22,500, plus G.S.T., half of which (\$11,812.50 inclusive of G.S.T.) has been paid to the Agent and is non-refundable, as well as a \$10,000 retainer for the Agent's legal expenses. See "Plan of Distribution" on page 97 of this Prospectus. The Issuer shall be responsible for the payment of the Agent's disbursements incurred in connection with the Offering, including legal costs and expenses that the Agent may incur.
Listing	The Issuer has applied to have its Common Shares listed on the Exchange. Listing is subject to the Issuer fulfilling all of the requirements of the Exchange. See "Plan of Distribution" on page 97 of this Prospectus.
Right of First Refusal	The Issuer has granted the Agent a right of first refusal to act as the Issuer's fiscal agent for any brokered financing for 12 months following the completion of the Offering. See "Plan of Distribution" on page 97 of this Prospectus.
Use of Proceeds	The net proceeds to the Issuer from the sale of the Common Shares offered hereunder are estimated to be \$249,377.50, after deducting the Agent's Commission (\$28,000), and the balance of the estimated expenses of the Offering (\$72,662.50). The net proceeds of the Offering will be expended to complete the objectives set out in the exploration budget for the Property, as outlined in the technical report (defined below as the "Technical Report") entitled "Technical Report (Amended and Restated) on the Comstock Property, Nicola Mining District, British Columbia, Canada" dated August 4, 2019 and prepared by Laurence Sookchoff, PEng, and for general working capital purposes. For a more detailed discussion on the Issuer's proposed expenditures, see "Use of Proceeds" on page 49 of this Prospectus and "Description of the Business" on page 18 of this Prospectus.
Directors, Officers and Senior Management	Howard Milne – CEO and Director Steve Mathiesen –CFO, Corporate Secretary, and Director James Place – Director See "Directors and Officers" on page 77 of this Prospectus.
Risk Factors	Investment in the Issuer involves a substantial degree of risk and should be regarded as speculative. As a result, the purchase of the Issuer's securities should be considered only by those persons who can afford a loss of their entire investment. Prospective investors should carefully consider, in addition to matters set forth elsewhere in this Prospectus, the following factors relating to the Issuer and the business of the Issuer. The Issuer has no current mining operations and no revenue and will need to raise funds to carry out exploration of its properties. There is no assurance the Issuer will be able to raise additional funds or settle debt by the issuance of securities for debt to satisfy any indebtedness. In addition, if exploration programs are successful, additional funds will be required to place the Property into commercial production, and there are no assurances that the Issuer will be able to obtain such funds on the terms acceptable to the Issuer or at all. The business of mineral exploration involves a

	<p>high degree of risk. Few mineral properties that are explored are ultimately developed into producing mineral properties. Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The success of the Issuer is largely dependent upon the performance of its directors and management. The Issuer's management is experienced in exploring for minerals, but lacks technical training and experience with developing and operating a mine. The Issuer will be applying for all necessary licenses and permits under applicable laws and regulations to carry on the exploration activities which it is currently planning in respect of the Property, and the Issuer believes it will comply in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in regulations and in various operational circumstances which may result in increased costs and delays as a result of the need to comply with applicable laws, regulations and permits. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material impact on the Issuer and cause an increase in capital expenditures or exploration costs or a reduction in production levels for producing properties or require abandonment of new exploration properties. The Issuer and its assets may be subject to uninsurable risks. The Issuer may be unable to acquire additional meritorious mineral properties on terms it considers acceptable. Directors of the Issuer may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource exploration or development which may result in a conflict of interest. The Issuer and/or its directors may be subject, with or without merit, to a variety of civil or other legal proceedings. The Issuer intends to retain any future earnings to finance its business and operations and future growth and does not anticipate declaring any cash dividends in the foreseeable future.</p> <p>This information is presented as of the date of this Prospectus and is subject to change, completion, or amendment without notice. See "Risk Factors" on page 98 of this Prospectus.</p>
<p>Summary Financial Information</p>	<p>The following selected financial information has been derived from and is qualified in its entirety by the unaudited and audited financial statements 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 Discussion and Analysis" included on page 61 of this Prospectus. All financial statements of the Issuer are prepared in accordance with International Financial Reporting Standards ("IFRS").</p>

	Six Months Ended May 31, 2019 (Unaudited)	Fiscal Year Ended November 30, 2018 (Audited)
Total Assets	\$83,452	\$103,410
Total Liabilities	\$25,557	\$21,446
Deficit	\$(68,402)	\$(28,286)
Shareholder Equity	\$57,895	\$81,964
Weighted Average of Common	3,825,000	182,466

Shares Outstanding		
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FORWARD LOOKING STATEMENTS

This Prospectus contains “forward-looking statements” within the meaning of Canadian securities laws. Forward-looking statements reflect the Issuer’s current views with respect to future events, are based on information currently available to the Issuer and are subject to certain risks, uncertainties, and assumptions, including those discussed above. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as “intends”, “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ from those expressed or implied by the forward-looking statements. Such factors include, among others, risks related to international operations, fluctuation of currency exchange rates, actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in mineral resources, grade or recovery rates, accidents, labour disputes and other risks of the mining industry, delays in obtaining, or inability to obtain, required governmental approvals or financing, as well as other factors discussed under “Risk Factors”. Although the Issuer has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained in this Prospectus are made as of the date of this Prospectus. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Issuer will update forward-looking statements in its management discussion and analysis as required.

CURRENCY RATES, METRIC EQUIVALENTS AND ABBREVIATIONS

All currency amounts in the Prospectus are stated in Canadian dollars unless otherwise indicated. All financial information with respect to the Issuer has been presented in Canadian dollars in accordance with generally accepted accounting principles in Canada.

The following table sets forth certain standard conversions from Standard Imperial Units to the International System of Units (or metric Units).

To Convert from Metric	To Imperial	Multiply by
Grams (g)	Grains	15.43
Grams (g)	Ounces (troy) (oz)	0.032
Grams per tonne (g/t)	Ounces (troy) per ton (oz/ton)	0.029
Hectares	Acres	2.471
Kilometres (km)	Miles (mi)	0.621
Square Kilometres (km ²)	Square Mile (mi ²)	0.386
Metres	Feet	3.281
Millimetres (mm)	Inches (in)	0.039
Tonnes (t)	Short tons (2000 pds)	1.102
Acres	Hectares	0.405

GLOSSARY OF TERMS

The following is a glossary of certain defined terms used frequently throughout this Prospectus:

“\$”	unless otherwise noted all dollar amounts are considered to be in Canadian currency.
“Affiliate”	a company that is affiliated with another company as defined in the <i>Business Corporations Act (British Columbia)</i> .
“Agency Agreement”	the agency agreement entered into between the Issuer and the Agent, dated for reference May 24, 2019, to act as agent for the Offering on a commercially reasonable efforts basis.
“Agent”	means PI Financial Corp.
“Agent’s Options”	the non-transferable options granted by the Issuer to the Agent to purchase a number of Agent's Option Shares equal to 8% of the Common Shares sold in the Offering, at an exercise price of \$0.10 per Agent's Option Share for a period of twenty-four (24) months following the closing date of the Offering.
“Agent’s Option Shares”	the Common Shares issuable to the Agent upon the exercise of the Agent's Options.
“Associate”	means, if used to indicate a relationship with any person, (a) a partner, other than a limited partner, of that person, (b) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity, (c) an issuer in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer, or (d) a relative, including the spouse, of that person or a relative of that person's

	spouse, if the relative has the same home as that person.
“Claims”	twelve (12) contiguous mining claims with mineral tenure numbers 905597, 905612, 1014834, 1014837, 1014839, 1019819, 1051454, 1055700, 1055701, 1055702, 1055703, and 1059694 that are the subject of the Comstock Property Option Agreement. The claims that comprise the Property cover an area of 664.0111 hectares centered at 5,545,469N 666,000 E (NAD 83) and are located 181 kilometers northeast of Vancouver and seven kilometers south of Merritt, British Columbia, within BCGS map 0921.007 and the Nicola Mining District.
“Common Shares”	one or more Common Shares in the capital of the Issuer.
“Comstock Property Option Agreement”	the agreement between the Issuer’s Subsidiary and Ken Ellerbeck dated October 31, 2018, granting the Issuer’s Subsidiary an option to acquire a 100% interest in the Property, subject to a production royalty of 2% of net smelter returns.
“Directors”	the directors of the Issuer.
“Effective Date”	the date on which the final receipt for this Prospectus is issued by the British Columbia Securities Commission.
“Escrow Agent”	means Odyssey Trust Company.
“Escrow Agreement”	the escrow agreement among the Issuer, the Transfer Agent, the Directors and certain shareholders of the Issuer dated effective January 21, 2019.
“Exchange” or “CSE”	the Canadian Securities Exchange.
“Insider”	an insider as defined in the <i>Securities Act</i> (British Columbia), which includes the directors and senior officers of the Issuer or any subsidiaries of the Issuer and any person that has direct or indirect beneficial ownership of, or control or direction over, securities of the Issuer carrying more than 10% of the voting rights attached to the Issuer's outstanding voting securities.
“Issuer”	Lodge Resources Inc.
“NI 43-101”	National Instrument 43-101 <i>Standards of Disclosure for Mineral Projects</i> , as published by the Canadian Securities Administrators.
“NSR Royalty”	a net smelter return royalty payable by the Issuer to the Owner of the Property equal to 2% on the proceeds from production, as described in Schedule “B” to the Comstock Property Option Agreement, for all minerals derived from the Property.
“Offering”	the Offering pursuant to this Prospectus consisting of the issue of 3,500,000 Common Shares of the Issuer at a price of \$0.10 per Common Share for gross proceeds of \$350,000.
“Offering Price”	the offering price of \$0.10 per Common Share.
“Owner”	the owner of the Property as defined in the Comstock Property Option Agreement, namely Ken Ellerbeck.
“Person”	a company or an individual.
“Property”	the contiguous 12-claim 664-hectare Comstock property that comprises the Claims and that is the subject of the Comstock Property Option Agreement.
“Prospectus”	this prospectus and any appendices, schedules or attachments hereto.

“Qualified Person” or “QP” or the “author”	Laurence Sookochoff, the author of the Technical Report, P.Eng, of Sookochoff Consultants Inc.
Stock Option Plan	means the incentive stock option plan of the Company.
“Subsidiary”	Lodge Minerals Inc., a wholly-owned subsidiary of the Issuer.
“Technical Report”	the NI 43-101 compliant technical report entitled “Technical Report (Amended and Restated) on the Comstock Property, Nicola Mining District, British Columbia, Canada, BCGS: 0921.007” dated August 4, 2019 and prepared by Laurence Sookochoff, P.Eng, the Qualified Person.
“Transfer Agent”	means Odyssey Trust Company.

TECHNICAL GLOSSARY OF TERMS

Ag	the chemical symbol for silver.
andesite	an extrusive igneous rock consisting primarily of plagioclase feldspars plus pyroxene and/or hornblende. Biotite, magnetite, quartz and sphene are common constituents. These rocks are found near the subduction zones of ocean tectonic plates, along continental margins.
anomaly	a concentration or measurement in excess of statistical background.
As	the chemical symbol for arsenic.
assay	a laboratory analysis to determine the presence, absence or concentration of one or more elemental components such as gold or copper.
Au	the chemical symbol for gold.
basalt	a fine-grained, dark, mafic igneous rock composed largely of plagioclase feldspar and pyroxene.
breccia	a coarse-grained clastic rock, composed of angular broken rock fragments held together by a mineral cement or in a fine-grained matrix; it differs from conglomerate in that the fragments have sharp edges and unworn corners. Breccia may originate as a result of talus accumulation, explosive igneous processes, collapse of rock material, or faulting.
chalcopyrite	a common mineral, a sulfide of copper and iron, sometimes called copper pyrite or yellow copper ore.
Co	the chemical symbol for cobalt.
Cr	the chemical symbol for chromium.
dacite	an extrusive igneous rock, the principle minerals of which are plagioclase, quartz, pyroxene, or hornblende.
deposit	a mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a

	sufficient average grade of metal or metals to warrant further exploration and/or development expenditures; such a deposit does not qualify as a commercially mineable ore body or as containing mineral reserves, until final legal, technical and economic factors have been resolved.
diorite	any of various dark, granite-textured, crystalline rocks rich in plagioclase and having little quartz.
dyke	an intrusion into an opening cross-cutting fissure, shouldering aside other pre-existing layers or bodies of rock; this implies that a dike is always younger than the rocks that contain it.
EM	electromagnetic.
Fe	the chemical symbol for iron.
feldspar	a group of common rock-forming minerals that crystallized from magma.
felsic	a mnemonic adjective derived from (fe) for feldspar, (1) for lenad or feldspathoid, and (s) for silica, and applied to light-colored rocks containing an abundance of one or all of these constituents. Also applied to the minerals themselves, the chief felsic minerals being quartz, feldspar, feldspathoid, and muscovite.
Ga	the chemical symbol for gallium.
gabbro / gabbroic	a usually coarse-grained igneous rock composed chiefly of calcic plagioclase and pyroxene.
geophysical survey	mapping rock structures and mineral deposits by methods of measuring physics of the earth. Includes measuring magnetic fields, force of gravity, electrical properties.
granodiorite	a coarse-grained acid igneous rock containing almost twice as much plagioclase as orthoclase: intermediate in composition between granite and diorite.
g/t	grams per metric tonne.
igneous rock	is formed by magma or lava cooling and becoming solid. Igneous rock may form with or without crystallization, either below the surface as intrusive rocks or on the surface as extrusive rocks.
K₂O	the chemical symbol for potassium oxide, an ionic compound of potassium and oxygen.
kaolinite	soft, white and formed by hydrothermal alteration or weathering of aluminosilicates, especially feldspars and feldspathoids.
kimberlite	a rock formation in South Africa containing peridotite, in which diamonds are formed.

lacustrine	living or growing in or on the shores of a lake or found in or deposited as part of a former lake.
mafic	containing or relating to a group of dark-colored minerals, composed chiefly of magnesium and iron, that occur in igneous rocks.
Mg	the chemical symbol for magnesium.
monzonite	an igneous rock composed chiefly of plagioclase and orthoclase, with small amounts of other minerals.
Na	the chemical symbol for sodium.
Ni	the chemical symbol for nickel.
NSR	“net smelter return” royalty, cash proceeds for the economic materials from a smelter after various costs.
n/T	nanoTesla, a unit of measurement used to measure the intensity of magnetic fields.
olivine	a mineral silicate of iron and magnesium, principally $(\text{Mg, Fe})_2\text{SiO}_4$, found in igneous and metamorphic rocks and used as a structural material in refractories and in cements.
ore	a metal or mineral, or a combination of these, of sufficient value as to quality and quantity to enable it to be mined at a profit under current economic and technical conditions.
outcrop	an exposure of rock or mineral deposit that can be seen on surface, not covered by soil or water.
Pb	the chemical symbol for lead.
peridotite	any of a group of igneous rocks composed mainly of olivine and various pyroxenes and having a granitelike texture.
PGE	platinum group elements, a group of physicochemically similar elements that include platinum, palladium and rhodium.
porphyry	igneous rocks with relatively large mineral crystals set in a fine grained igneous groundmass.
ppb	parts per billion.
ppm	parts per million.
pyrite	a sulphide mineral, iron sulphide.
pyroxene	any of a group of crystalline silicate minerals common in igneous and metamorphic rocks and containing two metallic oxides, as of magnesium, iron, calcium, sodium, or aluminum.

pyroxenite	an igneous rock consisting chiefly of pyroxenes.
quartz	a mineral, the composition of which is silicon dioxide; a crystalline form of silica, which frequently occurs in veins.
regolith	a layer of loose, heterogeneous material covering solid rock which includes dust, soil, broken rock, and other related materials.
rhyolite	the fine-grained volcanic or extrusive equivalent of granite, light brown to gray and compact.
sampling	taking and sending a small proportion of a rock or mineral to a laboratory for analysis to determine if it contains minerals of economic interest.
Sb	the chemical symbol for antimony.
Si	the chemical symbol for silicon.
sediments	the rock particles or debris resulting from the weathering, break-up and erosion of pre-existing rocks.
sedimentary rock	is a type of rock that is formed by sedimentation of material at the Earth's surface and within bodies of water.
sphalerite	a mineral zinc sulphide, which nearly always contains iron and it is a principal ore of zinc.
strike	the direction, or course or bearing, of a vein or rock formation measured on a level surface.
sulfide or sulphide	a mineral compound characterized by the chemical bonding of sulphur with a metal.
tonalite	an igneous, plutonic (intrusive) rock, of felsic composition, with phaneritic texture. Feldspar is present as plagioclase (typically oligoclase or andesine) with 10% or less alkali feldspar. Quartz is present as more than 20% of the rock. Amphiboles and pyroxenes are common accessory minerals.
tuff	a volcanic rock formed by the compaction of fine rock fragments blasted from a volcano, the fragments are generally smaller than 4mm in diameter.
volcanic	rocks originating from volcanic activity.
Zn	the chemical symbol for zinc.

CORPORATE STRUCTURE

Name and Incorporation

The Issuer, whose full name is “**Lodge Resources Inc.**”, was incorporated under the *Business Corporations Act (British Columbia)* on October 24, 2018. The Issuer's head office is located at Suite 1510, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The Issuer's registered and records office address is located at 1510 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

The Issuer's Common Shares are not listed or posted for trading on any stock exchange.

The Issuer does not have any subsidiaries other than one wholly-owned subsidiary, Lodge Minerals Inc., a company incorporated under the *Business Corporation Act (British Columbia)* on October 31, 2018.

DESCRIPTION OF THE BUSINESS

Description of the Business

The Issuer is a mineral exploration and development company. Its activities consist of acquiring, exploring, developing, and, as the case may be, operating mining properties. It is anticipated that the Issuer will be mainly active in the field of mining exploration in British Columbia and that a material part of the funds from the subscription of the Common Shares offered hereunder will be used in exploration work on the Property. See “Use of Proceeds” and “Narrative Description of the Business”.

The Issuer does not presently operate a mine.

Mineral exploration and development of mining properties will constitute the principal business of the Issuer for the coming years. In the course of realizing its objectives, the Issuer will be called upon to enter into various agreements specific to the mining industry, such as purchase or option agreements to purchase mining claims and joint venture agreements.

Stated Business Objectives

The principal business carried on, and intended to be carried on, by the Issuer is the acquisition and exploration of mineral exploration properties in North America. The Property is in the early exploration stage. The Issuer's primary objective following completion of the Offering is to undertake the recommended exploration program described in the section of this Prospectus entitled “Narrative Description of the Business”. Upon completion of the Offering, the Issuer plans to complete the recommended exploration program at a cost of CDN \$101,230 (of which \$25,000 was expended in June 2019) to digitize historical exploration data, conduct a soil geochemical survey, process assays, and complete a geological survey. The Issuer will require additional capital to complete any additional phases of exploration work. The additional capital may come from future equity or debt financings and there can be no assurance that the Issuer will be able to raise such additional capital if and when required or on terms acceptable to the Issuer or at all. See “Use of Proceeds” and “Risk Factors - Requirement for Further Financing”.

History

The Issuer is currently in the business of acquiring and exploring mineral properties and has been since the commencement of operations subsequent to its incorporation on October 24, 2018. To date, the Issuer has entered into the Comstock Property Option Agreement with Ken Ellerbeck, the sole owner of twelve contiguous mining claims situated in the Nicola Mining District, pursuant to which the Issuer's Subsidiary has the exclusive right to prospect and explore for, mine by underground or open pit methods, mill, prepare for market, store, sell, and dispose of the same, together with such rights-of-way, easements, water and water rights, of every kind and nature, through, over, on or appertaining to the twelve mining claims as the Issuer may determine, subject to a production royalty of 2% of net smelter returns. The Issuer may elect to purchase at any time from the optionor, prior to the commencement of commercial production, one-half of the NSR Royalty (being one percent (1%)), upon payment to the optionor of \$1,000,000. The Issuer intends to complete the recommended exploration program on the Property set out in the Technical Report. The Issuer also intends to obtain and explore additional mineral properties of merit.

The Issuer does not anticipate any changes to occur in its business during the current financial year.

Significant Acquisitions and Significant Dispositions

The Issuer has not carried out any significant acquisitions or dispositions other than that the Issuer's Subsidiary entered into the Comstock Property Option Agreement.

Comstock Property Option Agreement

Under the Comstock Property Option Agreement, Ken Ellerbeck granted to the Issuer's Subsidiary the right to acquire an undivided 100% interest in the Property, free and clear of all liens, charges, encumbrances, claims, rights or interests of any other person.

In order to exercise the option, the Issuer shall pay to the Owner the aggregate sum of \$315,000 and issue a total of 600,000 Common Shares in instalments, and complete minimum expenditures on the Property in accordance with the following schedule:

Date	Shares	Cash Payments	Expenditures⁽¹⁾
On Signing		\$5,000	
Listing Date	100,000	\$10,000	
June 21, 2019			\$25,000 ⁽²⁾
1 st Anniversary of Listing Date	100,000		\$75,000
2 nd Anniversary of Listing Date	100,000	\$20,000	\$100,000
3 rd Anniversary of Listing Date	100,000	\$30,000	\$100,000
4 th Anniversary of Listing Date	200,000	\$250,000	\$300,000
Total:	600,000	\$315,000	\$600,000

- (1) Expenditures means all cash, expenses, obligations and liabilities, other than for personal injury or property damage, of whatever kind or nature spent or incurred directly or indirectly in connection with the exploration, development or equipping of the Property or any portion thereof for mining work including, without limiting the generality of the foregoing, monies expended in

constructing, leasing or acquiring all facilities, buildings, machinery and equipment in connection with mining work, in paying any taxes, fees, charges, royalties, payments or rentals (including payments in lieu of assessment work), or otherwise to keep the Property or any portion thereof in good standing, (including any payment to or in respect of acquiring any agreement or confirmation from any holder of surface rights respecting the Property or any portion thereof), in carrying out any survey of the Property or any portion thereof, in doing geophysical, geochemical and geological surveys, in trenching, drilling, assaying, metallurgical testing, bulk sampling and pilot plant operations, in paying the fees, wages, salaries, travelling expenses, fringe benefits (whether or not required by law) of all in paying for the food, lodging and other reasonable needs of such persons, in preparing any reports, and in supervising and managing any mining work done with respect to and for the benefit of the Property or any portion thereof, as well as an operator's overhead management fee of 15% of all such other expenses.

- (2) The Issuer was obligated to incur \$25,000 of expenditures by June 21, 2019, which was incurred, and they were to qualify for assessment work to be recorded against the Property in the Mining and Minerals Division before June 30, 2019, which assessment work was so recorded.

For the purposes of the Comstock Property Option Agreement, the area covered by the Property shall include an area of influence surrounding the outer perimeter of the Property to a maximum of two and one-half (2.5) kilometers (the “**Area of Influence**”) and all mineral concessions, interests or rights acquired, directly or indirectly, within the Area of Influence before or after the date of signing of the Comstock Property Option Agreement by the Owner during the currency of the Comstock Property Option Agreement shall become part of the Comstock Property Option Agreement.

On commencement of commercial production (defined as the operation of the Property or any portion thereof as a producing mine and the production of mineral products therefrom, excluding bulk sampling, pilot plant or test operations), the Property will be subject to a 2% net smelter return royalty in favour of the Owner. The Issuer may elect to purchase from the Owner at any time prior to the commencement of commercial production one-half of the NSR Royalty (being 1%) upon the payment to the Owner of \$1,000,000.

For the purposes of the Comstock Property Option Agreement, the term “Net Smelter Returns” shall mean all monies realized and actually received by the Issuer on the sale of any ores or minerals mined or extracted from the Property as evidenced by its returns or settlement sheets, including any premiums, bonuses and subsidies, less, if any such ores or minerals require smelting or other processing, all monies paid or payable on account of:

- (a) loading and transportation of the ores or minerals from the Property or any mill erected on or about the Property to the smelter or other purchaser;
- (b) smelter treatment charges or other charges levied by the purchaser;
- (c) freight allowance and severance taxes or royalties that may be paid to the Province of British Columbia;
- (d) insurance and security costs and charges;
- (e) marketing costs and commissions; and
- (f) penalties and other deductions whatsoever paid or payable in relation to the sale of the ores or minerals.

Trends

There are significant uncertainties regarding the prices of gold and silver and other minerals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the price of silver, gold and other minerals has fluctuated widely in recent years and wide fluctuations are expected to continue. Interest in early stage exploration companies is also subject to overall market sentiment. Apart from these risks, and the risk factors noted under the heading “Risk Factors,” the Issuer is not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on our business, financial condition or results of operations.

NARRATIVE DESCRIPTION OF THE BUSINESS

Technical Report – Comstock Property

The following information regarding the Property has been summarized from a technical report (previously defined as the “Technical Report”) entitled “Technical Report (Amended and Restated) on the Comstock Property, Nicola Mining District, British Columbia, Canada, BCGS: 0921.007”, dated August 4, 2019 and prepared by Laurence Sookochoff, P.Eng, (previously defined as the “Qualified Person”, “QP” or “author”) and should be read in conjunction with this Prospectus. Mr. Sookochoff is an independent qualified person as defined by NI 43-101. The Technical Report has been prepared in accordance with NI 43-101 and is available for inspection at the head office of the Issuer during normal business hours during the period of distribution of the Common Shares. This summary contains references to indicate to the reader the materials that have been used to compile the Technical Report. The Technical Report contains a complete list of all references used in this summary. The full Technical Report will also be made available on SEDAR at www.sedar.com.

Property Description and Location

1.1 Description

The Comstock Property is comprised of 12 contiguous mineral claims covering an area of 664.0111 hectares centered at 5,545,469N 666,000 E (NAD 83).

The claim tenure data as of August 4, 2019 as shown in Table II, was downloaded from the British Columbia Government website: <http://webmap.em.gov.bc.ca/mapplace/minpot/mto.asp>.

1.2 Location

The Comstock Property is located 181 kilometers northeast of Vancouver and seven kilometers south of Merritt within BCGS map 0921.007 and the Nicola Mining District.

There are no current obligations or commitments for reclamation, closure or other environmental corrective action relating to the mineral claims. No environmental audit or assessment has been conducted. The author is not aware of any liabilities on the property or significant factors and risks that may affect access, title or right or ability to perform work on the property.

A permit for exploration and reclamation activities for the Comstock Property was issued by the B.C. Government on June 5, 2018 (MX-15-503) which is valid to June 4, 2023.

Table I Tenures Comprising the Comstock Property (from MapPlace)

Tenure Number	Type	Claim Name	Good Until	Area (ha)
905597	Mineral	PB1	20211101	83.0148
905612	Mineral	PB2	20211101	20.7547
1014834	Mineral	PB	20211101	186.7831
1014837	Mineral		20211101	20.7529
1014839	Mineral	OMG	20211101	20.7564
1019819	Mineral	LUCKY 7	20211101	20.7531
1051454	Mineral	LD-COMSTOCK	20211101	124.4921
1055700	Mineral	Northno	20211101	41.4854
1055701	Mineral	LD	20211101	62.2337
1055702	Mineral	Northnot	20211101	20.7427
1055703	Mineral	LD	20211101	20.7444
1059694	Mineral	NEWSHOWCOMSTOCK	20211101	41.4978

Total Area: 664.0111 ha

The mineral tenures are for sub-surface rights only; there are no surface rights associated with the tenure. There is no hindrance to access and/or access rights to the Comstock Property.

1.3 Claim Maintenance

In order to maintain the claims in good standing, the value of exploration and development required for one year is at least:

- (a) \$5 per hectare for each of the first and second anniversary years,
- (b) \$10 per hectare for each of the third and fourth anniversary years,
- (c) \$15 per hectare for each of the fifth and sixth anniversary years,
- (d) \$20 per hectare for each subsequent anniversary year.

As an alternative to the exploration and development requirements, a recorded holder may make a payment. The required payment to maintain a mineral claim for an anniversary year is double the value of exploration and development that would be required to maintain the claim for the anniversary year.

Should a claim not be renewed, the claim is cancelled at midnight of the "Good Until" date and the ground which was covered by the claim is available for staking by any person with a Free Miners Certificate at 10:00 am the following day.

Option Agreement

The terms of the "Comstock Property Option Agreement" between Ken Ellerbeck (optionor) and Lodge Minerals Inc., a wholly owned subsidiary of Lodge Resources Inc., dated October 31, 2018, are as follows:

Date	Shares	Cash Payments	Expenditures
On Signing		\$5,000	Paid
Listing Date	100,000	\$10,000	
June 21, 2019			\$25,000 (Expended*)
1 st Anniversary of Listing Date	100,000		\$75,000
2 nd Anniversary of Listing Date	100,000	\$20,000	\$100,000
3 rd Anniversary of Listing Date	100,000	\$30,000	\$100,000
4 th Anniversary of Listing Date	200,000	\$250,000	\$300,000
Total:	600,000	\$315,000	\$600,000

* The assay results from the \$25,000 June, 2019 work program are pending.

The property is also subject to a 2% net smelter return royalty in favour of Ken Ellerbeck.

Figure 1 Location of Producing Mines and Past Producers (Base map from MapPlace & Google)

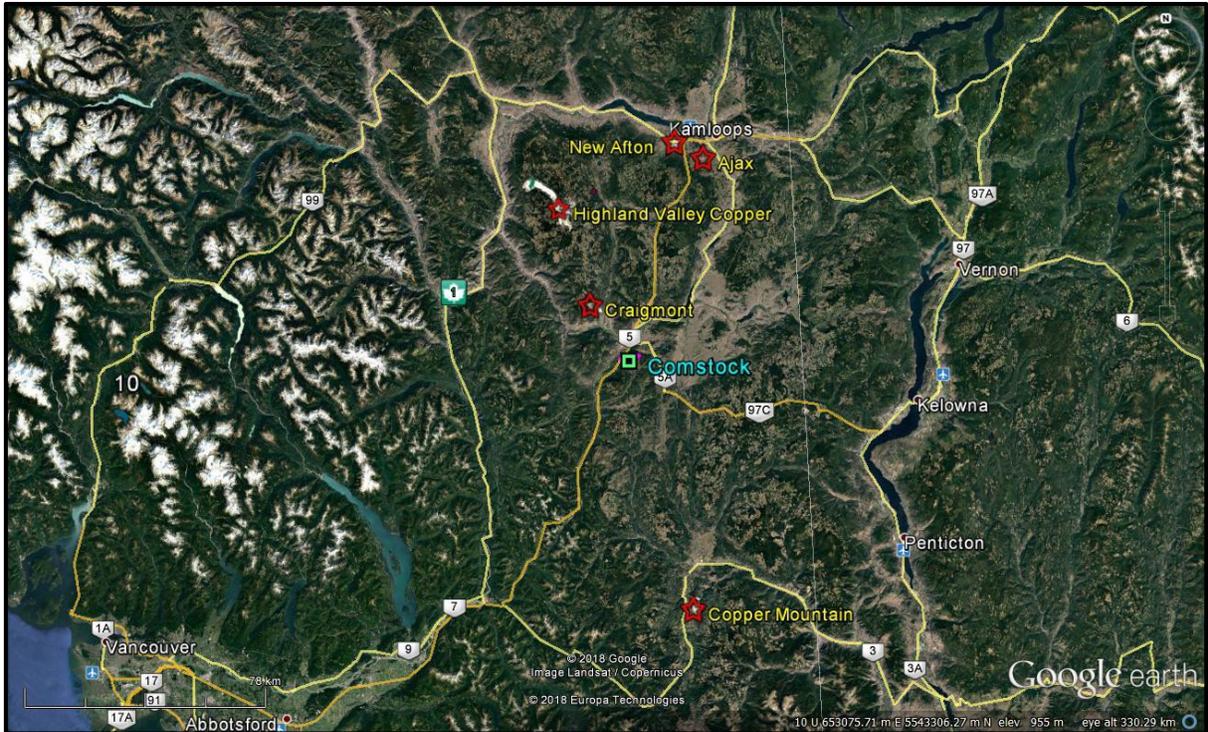
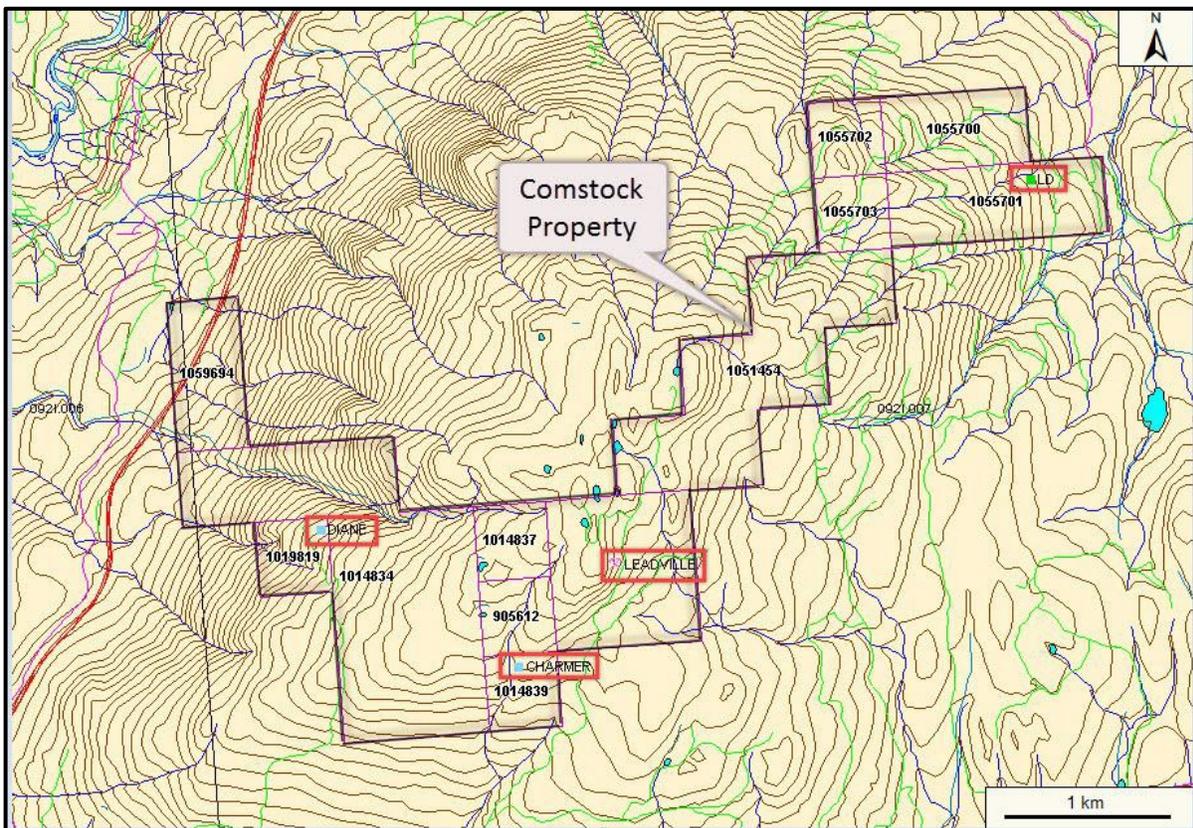


Figure II Claim Map (Base map from MapPlace)



Accessibility, Climate, Local Resources, Infrastructure, and Physiography

Access

Access from Merritt is southward via the paved Coldwater road that departs from the eastern edge of Merritt and parallels the Coquihalla Highway. At approximately two km on the Coldwater road the Fox Farm road branches to the east, passes under the Coquihalla Highway, and follows the valley of Godey Creek. Gravel and dirt roads pass through much of the property.

Climate

The Property is located within the dry belt of British Columbia with rainfall between 25 and 30 cm per year. Temperatures during the summer months could reach a high of 35°C and average 25°C with the winter temperatures reaching a low of -10°C and averaging 8°C. On the Comstock Property, moderate snow cover on the ground could be from December to April and would not hamper a year-round exploration program.

Local Resources

Sufficient basic resources for an initial or an advanced exploration and development program would be available at Merritt or alternatively at Kamloops, one hour's drive from Merritt northeastward on the Coquihalla (#5) Highway.

Kamloops is the hub for the provision of most resources to the operating New Afton mine and is serviced daily by commercial airlines from Vancouver.

Logan Lake, one hour north of Merritt, is a smaller center for available resources, however, and is the hub for the provision of some resources to the Highland Valley Copper mine, the largest mine in Canada.

Power requirements for the initial exploration and development at the Comstock Property would be fuel generated. Commercial power sources may be available from a transmission line three kilometers to the southeast.

Water for all phases of the exploration and development program may be available from water courses on or adjacent to the Comstock Property. Water, if required during the dry or freezing periods, would have to be transported from lower elevations or from the Coquihalla River.

Infrastructure

Merritt and Kamloops are on the Trans Canada Highway with rail service from Kamloops provided by the Canadian Pacific Railroad and the Canadian National Railroad, the two largest railroad transportation systems in Canada.

Physiography and Vegetation

The Comstock Property is situated within the Interior Plateau of south-central British Columbia.

Topography is of moderately forested, locally steep slopes with elevations ranging from 868 meters in the west within the Coldwater River valley, progressively rising to 1,700 meters centrally at Iron Mountain, and decreasing to 1,075 meters within a valley at the northeastern boundary.

The property is moderately forested with fir, spruce and pine with commercial stands generally restricted to lower elevations with grassy slopes at higher elevations.

History

History: Comstock Property

The exploration history of ground covered by the Comstock property was initiated in 1896 when three shafts, the Charmer, the Islander, and the Victoria No's 1, 2, and 3 were completed.

Table II shows the year of ownership changes and if the information is available from the reference assessment report, the type, amount, quantity and general results of exploration and development work undertaken by any previous owners or operators of the ground covered by the Comstock Property. Table II includes the work that was only completed on the ground covered by the Comstock Property.

Table II. Summary of Exploration History on ground covered by the Comstock Property

Year & Owner	Owner (1) Operator (2)	Exploration type, amount, quantity	Results
1927-28 AR 16,058	Emmitt Todd (1)	Leadville; 32 metre shaft on a galena-sphalerite-barite vein.	Shaft vein strikes north-south within a shear zone; copper reportedly found disseminated in andesite,
1929	Comstock of B.C. (1)	1000 acres of claims staked	
1947 AR 128	George Hunter (2)	LD-Comstock; Leadville shaft rehabilitated .	36 tons ore shipped to Trail yielding 67 oz Ag, 11,819 lb Pb, and 484 lb Zn
1951	Granby Consolidated (2)	LD-Comstock; Dewatered the shaft	
1958 AR 16,058A	New Jersey Zinc (1)	Leadville; staked claims and diamond drilling north of "Leadville"	
1961 AR 16,058A		Charmer; trenching, stripping, and sampling	
1966 AR 16,058A	Manor Mines	Diamond drilling: Two holes drilled near the Leadville shaft	
1968-74 AR 2,757	Acaplombo Mining and Development (2)	Staked the Makelstin claims; LD-Comstock; Magnetometer surveys: >24 miles. EM (VLF?): >24 miles. Soil surveys:180 samples. Diamond Drilling; 586 feet in two holes	Possible dioritic intrusive; copper anomalies on the flanks of the magnetic peaks and valleys;
1976 AR 16,058A	Quintana Minerals (1)	LD; staked the one-sixty-one and the one-sixty-two claims; geological mapping; claims dropped.	

1977 AR 6,248	C.J. Robertson (1) Quintana Minerals (2)	Geologic mapping	A tilted, partly eroded, volcanic center of probable Upper Triassic age exists in the vicinity
1980 AR 9,018	K.W. Livingston (1) W.A. Howell (1) Chevron Standard (2)	LD shaft area; 217 soil samples analyzed for Cu, Pb, Zn, and Ba	Barite at LD shaft; geochemical results are inconsistent; possibly more than one centre of mineralization may be present
1981 AR 10,114	Gordon Richards (1) Chevron Canada (2).	PEM Survey Geochemical survey: 1,191 soil samples and 55 rock samples	Scattered low values for lead, zinc, copper, and barium
1981 AR 10,114	Gordon Richards (1) Chevron Canada (2).	Diane (Stirling Group) Gyproc Group (LD-Comstock); 1219 soil samples; 81 pulps	Scattered low values for Pb, Zn, Cu, and Ba with correlated and enhanced values near the Todd shaft and over very limited areas in the nearby sediments. Geophysical time-domain
1983 AR 16,058A	Aberford Resources (1)	Stakes the Stirling Group (Diane) of claims	
1984	Aberford Resources	Diane (Stirling Group): 529	2 anomalous gold soil samples of 55 ppb and 10
AR 13,114	(1) Kidd Creek Mines Ltd.(2).	pulps analyzed for gold; 296 soil samples; 67 rock samples; 83 rock chip channel samples from 13 trenches; 3.5 miles magnetic survey.	ppb; rock channel samples indicated up to 52,886 ppm Cu , 10.3 ppm Ag , and 7,810 ppb Au; shear zones and mineralized quartz vein systems are discontinuous and narrow but
1986 AR 16,058A	Aberford Resources (1) International Maple Leaf Resources (1)	Diane:: Geological mapping, 342 soil samples, 52 rock samples; trenching; magnetic survey; 15 trenches	Andesite-rhyolite sequence similar to that of VMS system; mineralization in andesite flows and lithic tuffs; northwest and northeast trending faults confirmed; new zones of mineralization discovered; one to two
1987 AR 16,817 Crooker	K.W. Livingston (1) Golden Dynasty Resources Ltd. (2)	Charmer Zone; Lucky Todd-Comstock Zone	Defined: a Au bearing vein on the Charmer Zone; stratabound conductive zones in the Lucky
1988 AR 17,721	Abermin Corporation (1) Merlin Resources (2).	Diane (Original Zone): Diamond drilling: Nine diamond drill holes; 9 channel samples	Assays of intersections ranged from 0.07 g/t Au over 0.91 m to 24.70 g/t Au across 0.76 m.
1989 AR 18,888	K.W. Livingston (1) Golden Dynasty Resources Ltd. (2)	LD showing Diamond drilling: Lucky Todd-Comstock Zone	Possible sulphide environment indicated by base metal soil geochemical anomaly.o significant
2005 AR 27,926	W.A. Howell (1) Del Exploration (2)	Lucky Todd (Comstock or Leadville:	The Comstock horizon has the appearance of a classic "Kuroko" style Volcanogenic Sulphide

2006 AR 28,719	N.G. Luckman (1) West Range Exploration (2)	Charmer Zone: 3 rock sample	Diane Zone: best gold assay was 2.69 g/T over six metres. Rock sample assays averaged 0.04 g/T Au, 0.3 g/T Ag, and 2,360 ppm
2008 AR 30,354	C. Brookes (1) North Bluff Exploration (2)	LD Zone; 1350 metre induced Potential (IP); 88 soil samples.	Soil results suggest the mineralization extends for a minimum 275 m NE and SW. IP indicates that the LD showing increases to a width of at least 115 m at depth. Second IP anomaly
2008 AR 30,403	Paget Minerals (1) Pembroke Mining (2)	Charmer Zone: 16 rock samples Diane Zone: 24 rock samples	Charmer Zone: 4 g/t Au, 3 g/t Ag, and 2.9 % Cu over 1.2 m.
2010 AR 32,183	Navigo Ventures (1) (2).	LD Zone; 22.1 kilometres IP survey	Results indicate that the two mineralized horizons continue down
2013 AR 34,187	Ken Ellerbeck(1) (2)	LD-Comstock, Diane; Structural analysis	Indicated that two of the structural directions coincide with the reported favourable northeast
2014 AR 34,963	Ken Ellerbeck(1) (2)	Charm, Leadville; Prospecting; 9 rock samples	Elevated values of Cu, Pb, Zn, and Au in rock samples
2015 AR 35,284	Ken Ellerbeck(1) (2)	L D Zone; Prospecting; 4 rock samples:	Elevated values of Pb, Zn, and Mo were confirmed in limestone
2016 AR 36,197	Ellerbeck(1 Ken) (2)	Diane Zone: Prospecting; 8 rock samples	The 2.8 km distance between mineral discoveries in 1034277 and similar mineralization in the Diane
			/Charmer Zones should be examined
2017	Ellerbeck(1 Ken) (2)	LD and Comstock Zone; 8 rock samples	Elevated Zn values in all samples; confirmed mineralization within rhyolite unit
2018	Ellerbeck(1 Ken) (2)	New zone 1.8 km NNW of Diane zone; 9 rock samples	Rhyolite outcrop is present and that mineralization is present in the rhyolite outcrops between the LD and COMSTOCK showings

Geological Setting and Mineralization

Regional Geology

Regional Geology and Mineralization

The Comstock Property is located on the southern Intermontane Belt of British Columbia on the southern extent of the Quesnel Trench. The central geological features of this region are the Late Triassic island-arc volcanic rocks of the Nicola Group. The Nicola Group comprises a variety of volcanic and sedimentary facies which, with at least partly comagmatic Late Triassic-Early Jurassic intrusions, formed a west-facing magmatic arc.

Major batholiths in the area of the Property include the Guichon Creek Batholith to the west, the Wild Horse Batholith to the east, and the Iron Mask Batholith to the north northeast. The Guichon Creek batholith is a large, composite intrusion with a surface area of about 1,000 square kilometers. A cluster of nine major porphyry copper deposits, including the world-class Highland Copper Mine, lie within a 15 square kilometer zone in the center of the batholith.

Two younger volcanic-dominated successions are important in the area. First, a northwest trending belt of Cretaceous continental volcanic and sedimentary rocks of the Spences Bridge Group unconformably overlie both the Nicola Group country rock and intrusive rocks along the southwest flank of the batholith. Distribution of the Spences Bridge Group rocks was locally controlled by reactivation of older faults that were important mineralization conduits in the batholith, such as the Lornex fault which was part was a mineral controlling cross-fault for the Highland Valley and the Lornex porphyry mineral deposits.

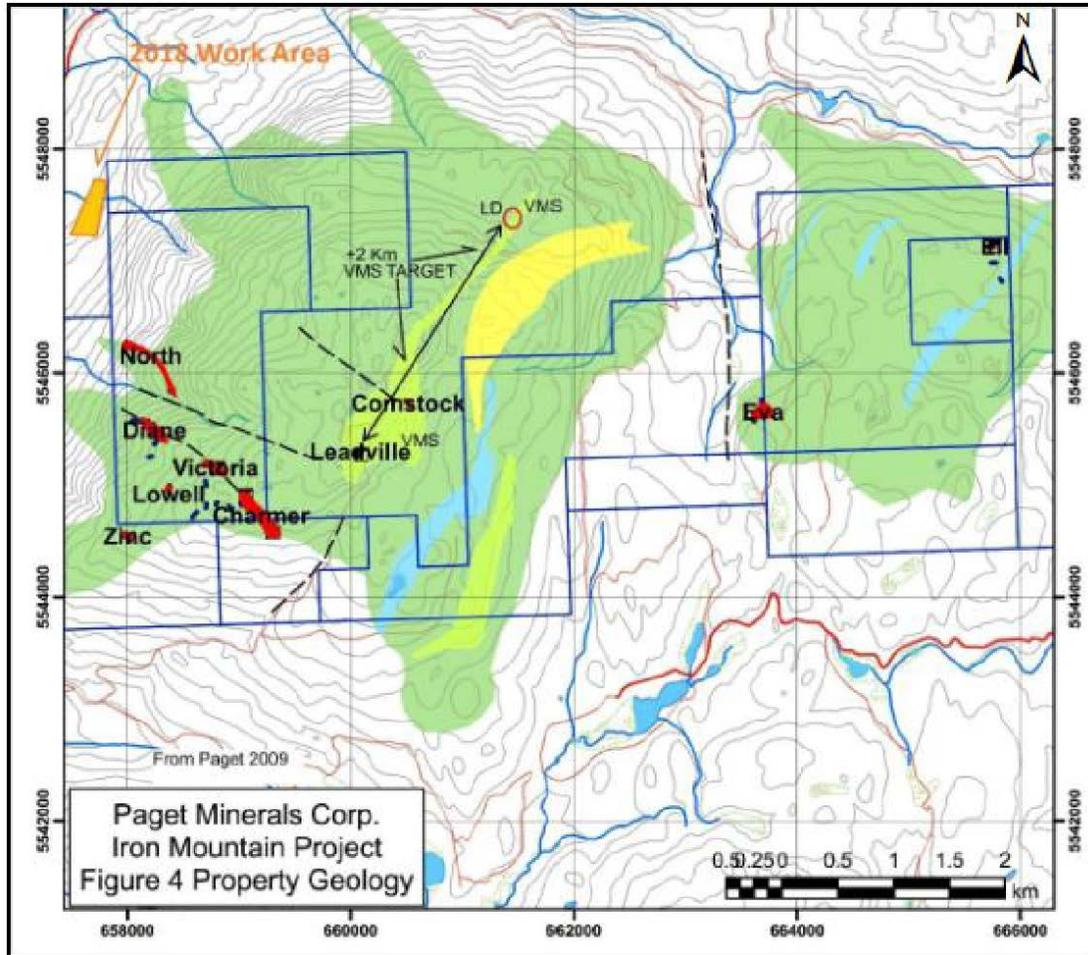
Within the Merritt area are many types of mineral deposits including the porphyry copper/molybdenum type deposits of the Highland Valley, the copper rich skarn type deposit of the formerly productive Craigmont mine, the volcanogenic polymetallic massive sulphide type deposits at the Gitennes property and at Iron Mountain, the epithermal to mesothermal gold vein type deposits at Stump Lake, and the polymetallic skarn type mineralization, lead-zinc-silver bearing quartz veins and replacements, and polymetallic precious-metal quartz veins in Nicola rocks of the Swakum Mountain area.

Property Geology and Mineralization

The Comstock property is predominantly underlain by the Western Volcanic Facies of the Nicola Group volcanics which consists of mafic to felsic pyroclastics, argillite, sandstone and local carbonate rocks. These rocks are in a regional northerly trending regional fault from the Central Volcanic Facies which are comprised of intermediate, plagioclase, augite plagioclase porphyry pyroclastics, and local pillowed and plagioclase porphyry flows.

The Property includes a variety of rock types as evidenced at the LD (Lucky Todd)-Comstock shaft and at the Charmer mineral zones. At the LD-Comstock, rhyolite and andesitic to dacitic flows and flow breccias host volcanogenic massive sulphide lead-zinc-silver-barite or replacement mineralization.

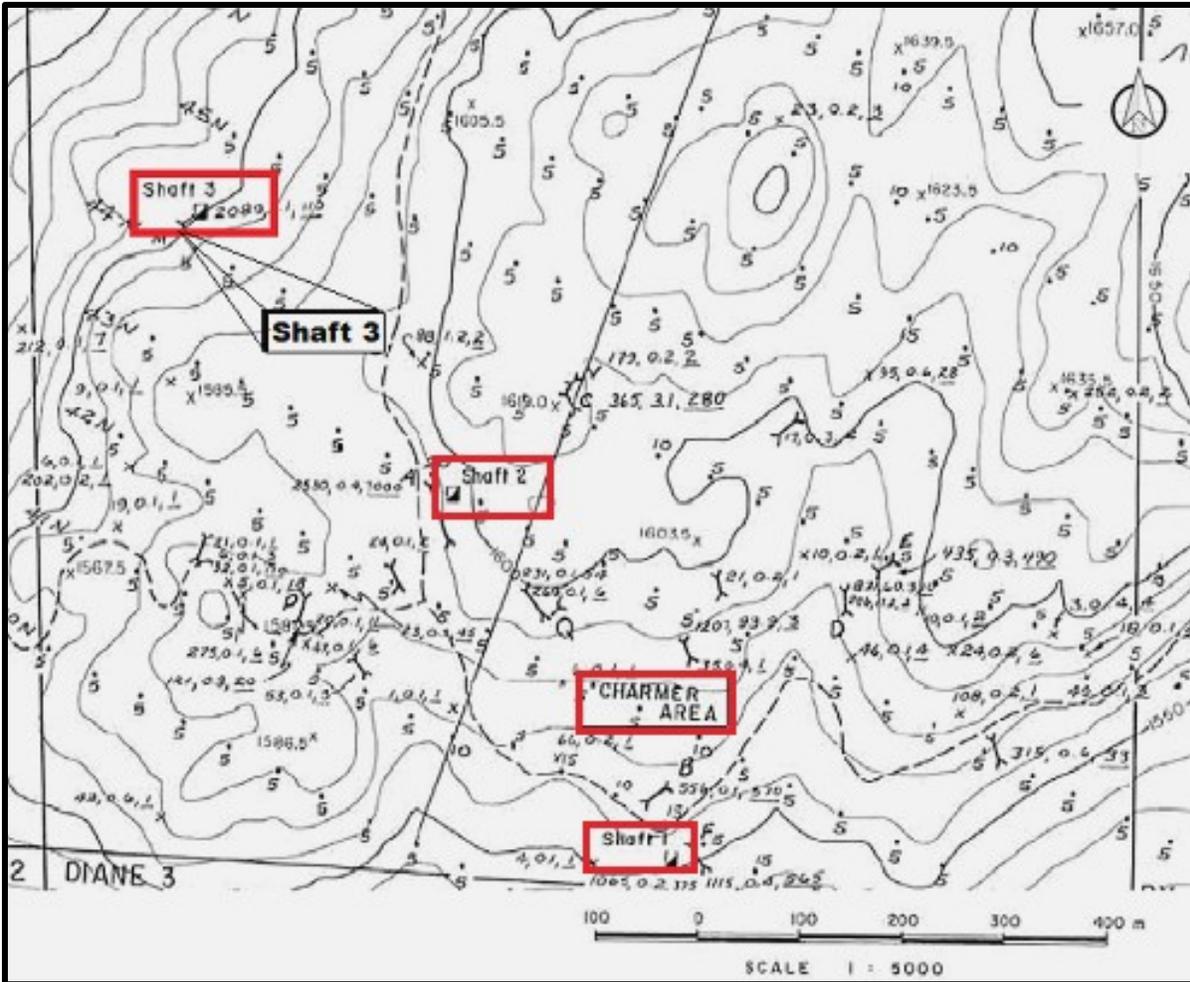
**Figure 3. Iron Mountain Property (Comstock Property*) 1987 map showing workings
(Modified size of base map from Ellerbeck, 2018)**



**See Figure 2 for mineral zones within the Comstock Property.

At the Charmer mineral zone andesitic flows and basaltic andesite host mineralization consisting of fracture controlled quartz veins with chalcopyrite, specularite, and grey sulphides. A number of trenches and three shafts expose auriferous quartz-specularite veins over a discontinuous strike length of 800 metres. The three shafts which appear to be on the same fault controlled mineral zone striking at 315° (Figures 3 & 4).

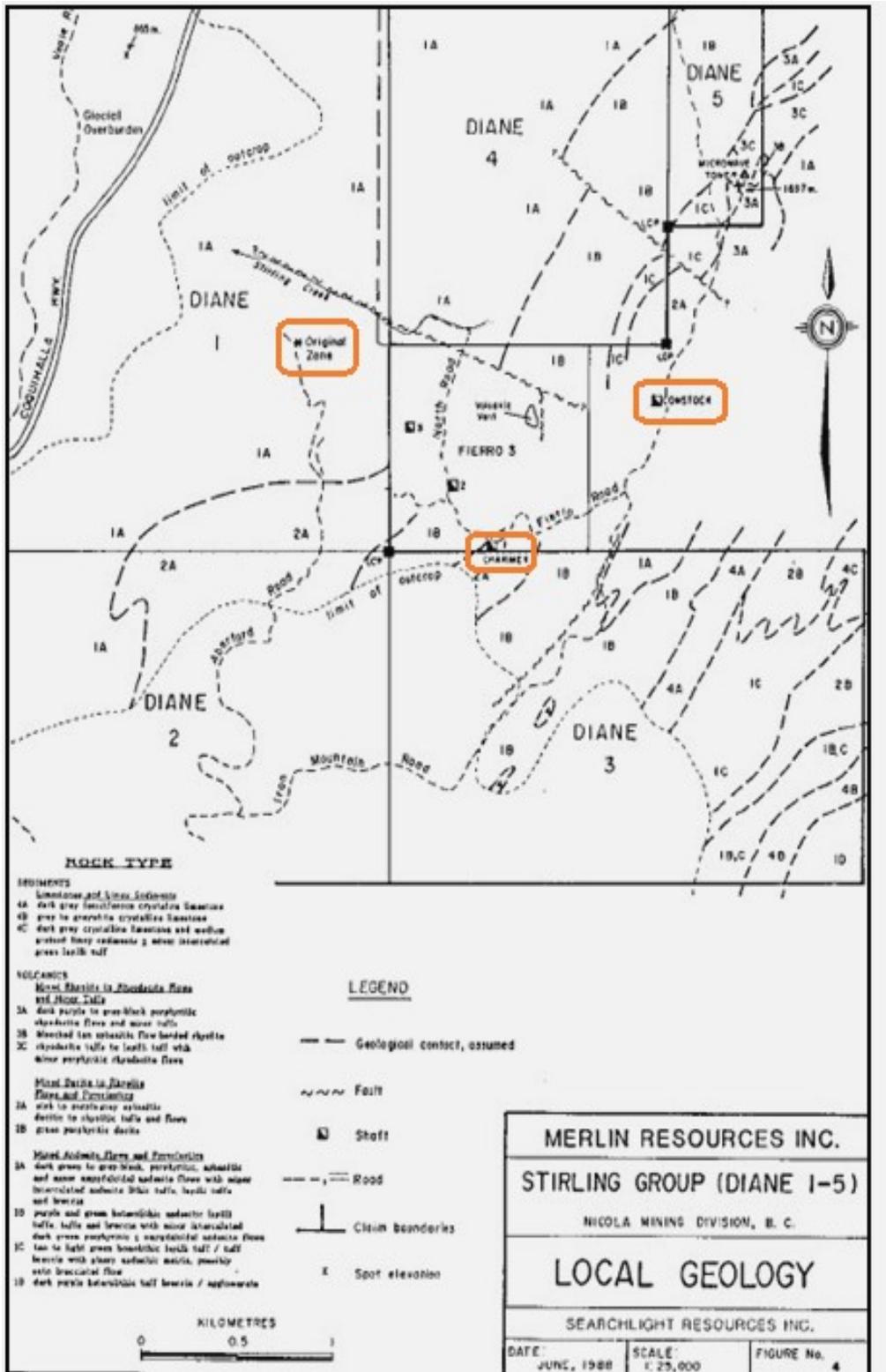
**Figure 4 Index Map to Charmer* Area Workings
(Base map from Property file id 2324 Borowski, 1984)**



*See Figure 2 for Charmer mineral zone within the Comstock Property

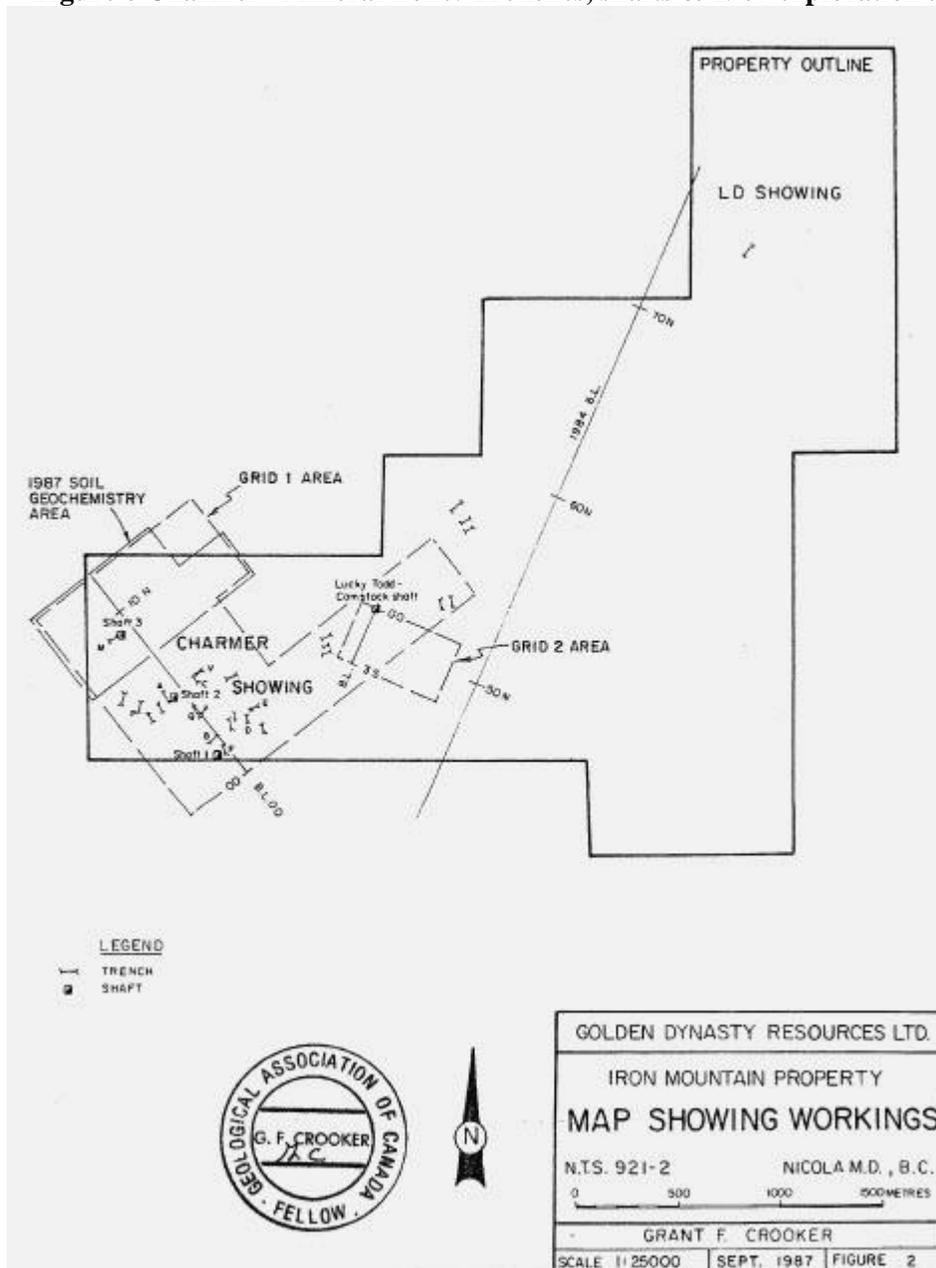
At the Diane “Original” mineral zone, auriferous quartz veining has been defined within a trend of mineralization over a length of 250 metres, varying up to several metres wide, and to a depth of up to 59 metres based on a drill hole intersection of the mineral zone. A 1.38 metre section of core averaged 15.56 grams per tonne gold and 16.43 grams per tonne silver. The Diane mineral zone is indicative of auriferous, possibly epithermal, veins adjacent to, or at the upper portion of a porphyry.

Figure 5 Geology showing Original (Diane) Zone, Charmer Zone (shafts), & Comstock (LD) Shaft (Base map from AR 17721, Nelles, 1988)



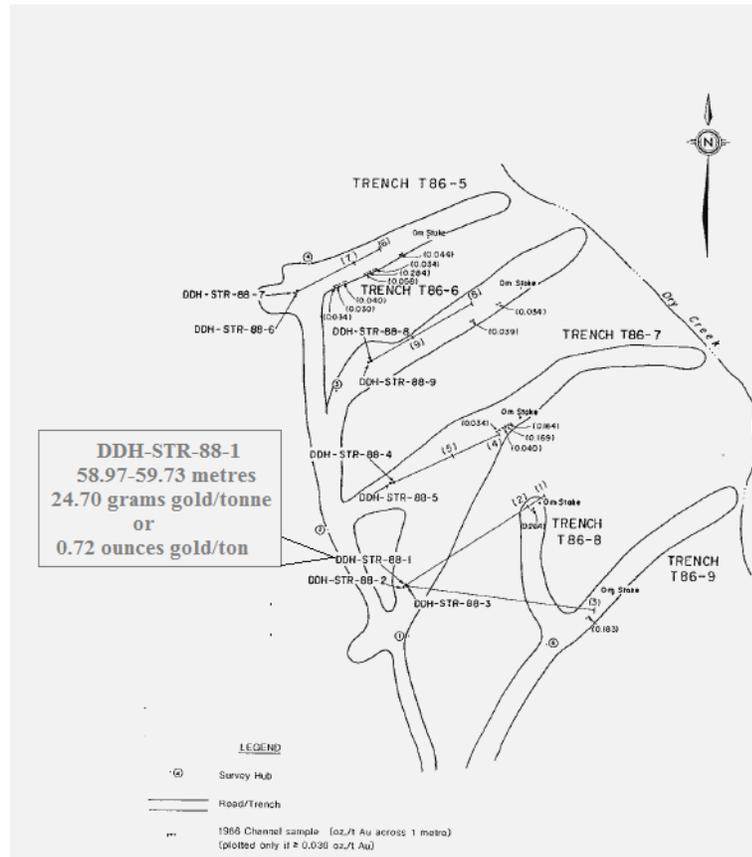
*See Figure 2 for the Charmer, Comstock (LD shaft), and Original (Diane) mineral zones within the Comstock Property.

Figure 6 Charmer* Mineral Zone: Trenches, shafts & 1987 exploration areas



*See Figure 2 for Charmer, Lucky Todd-Comstock, and LD mineral zones within the Comstock Property

**Figure 7 Diane (Original)* Mineral Zone: Trenches & 1988 Diamond Drill Hole Locations
(Map from AR 16,817 Figure 6C)**



*See Figure 2 for Diane (Original) mineral zone within the Comstock Property

At the LD (Leadville)-Comstock mineral zone, the Leadville shaft was sunk on a zone of banded veins and bedded lead-zinc-barite in sheared, flow banded potassic rhyolite indicative of a volcanic massive sulphide or a sedex zone of mineralization. The shear strikes 025° and dips at 80° west.

The LD mineral zone, some two kilometers northeast of the LD-Comstock (Figure 7a), float and outcrop of baritic massive sulphide occurs. Both mineral zones are shown to occur within a continuous two kilometre band of rhyolite, which is a primary exploration area for a volcanogenic massive sulphide or a sedex mineral deposit.

As the area is segmented by northeasterly, northwesterly and northerly trending faults this fault orientation is typical of the structures on the Comstock property and are, or could be, mineral controlling structures. A major northeast trending fault mapped on Iron Mountain with several major shear zones trending northeasterly and northwesterly. These trends are indicated on Figure 7a which shows the correlation of most mineral zones with structures.

**Figure 8 Geology, Claims, and Minfiles
(Base map from MapPlace)**



LEGEND

Pleistocene to Holocene

Qvk
Unnamed alkalic volcanic rocks

Eocene

EPRb: Princeton Group
andesitic volcanic rocks

Cretaceous

Ks
unnamed undivided sedimentary
rocks

Lower Jurassic to Middle Jurassic

ImJA: Ashcroft Formation
mudstone, siltstone, shale, fine
clastic sedimentary rocks

Upper Triassic: Nicola Group

Eastern Volcanic Facies
uTrNW
undivided volcanic rocks; minor
limestone and argillite

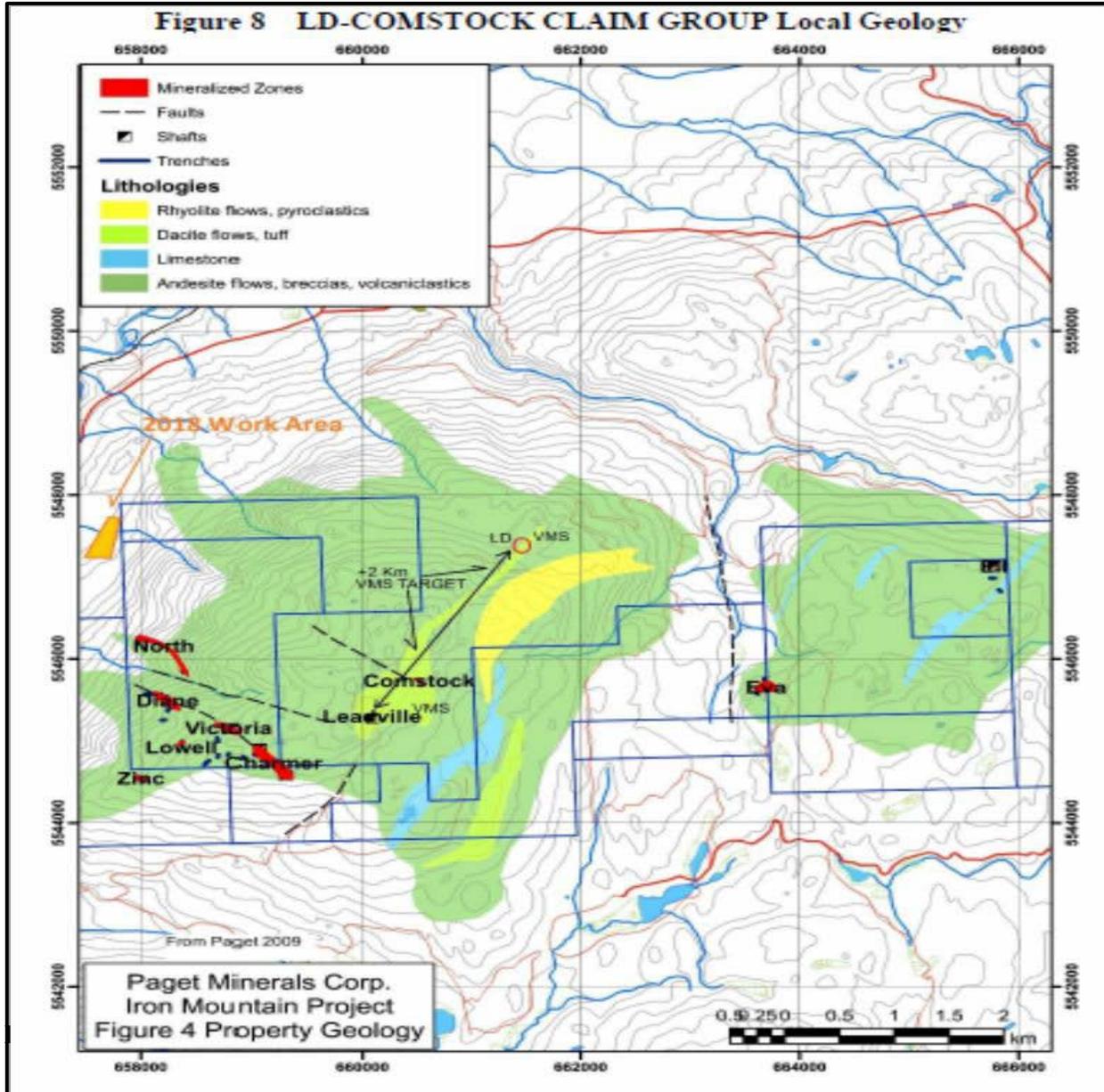
Central Volcanic Facies
andesitic volcanic rocks

uTrNsf
mudstone, siltstone, shale, fine
clastic sedimentary rocks

Late Triassic to Early Jurassic

LTrJdr
unnamed dioritic intrusive rocks

**Figure 9 Detailed Geology Showing Diane/Charmer Mineralized Zone and LD Comstock Volcanogenic Sulphide (VMS) Zone
(Map from Ellerbeck, 2018)**



*See Figure 2 for the Charmer, Diane (Original), Comstock (Leadville), mineral zones within the Comstock Property.

Deposit Types

The mineral deposit types being investigated or being explored for on the Comstock Property are:

Volcanogenic massive sulphide (VMS)

Massive sulphides deposits are currently forming in undersea locations characterized by “Black Smokers”. These Black Smokers are plumes of sulphide-rich fluids and represent the venting of hydrothermal fluids, rich in base and precious metals, onto the ocean floor. In contrast to other volcanic-hosted deposits, many Besshi-type deposits (named after a the Besshi Copper Mine in Japan) form thin, laterally extensive sheets of pyrrhotite- and (or) pyrite-rich massive sulfide rock; however, the characteristics of Besshi-type deposits vary considerably. Besshi deposits are notable for their ore concentrations of copper and cobalt and only minor concentrations of zinc (S. Master, 1997 and 1998).

Auriferous quartz - Lode Gold deposits

Gold may occur as deposits called lodes, or veins, in fractured rocks. Lode deposits are considered primary gold deposits because they are bedrock deposits that have not been moved. They come in a range of shapes and sizes and can form tabular cross-cutting vein deposits but also may be breccia zones, irregular replacement bodies, pipes, stockworks, and other shapes.

Sedex

Sedex Deposits are formed when ore bearing fluids discharge onto a seafloor and mix with seawater. When the two fluids mix, a variety of chemical processes take place that result in the precipitation of minerals on the seafloor. These deposits are laid down congruent with the stratigraphy of the seafloor and are fine grained and finely laminated characteristics of “sedimentary deposits.”

Concentrated amounts of minerals can be found in “trap sites,” which are depressed areas of the ocean floor where the minerals may settle. Occasionally, mineralization develops in the faults and feeder conduits that fed the mineralizing system. There are a few different mechanisms that may create the mineralizing fluids that form Sedex deposits. They may be from magmatic fluids from sub seafloor magma chambers and hydrothermal fluids generated by the heat of a magma chamber intruding into saturated sediments.

Some geologists theorize that seawater convection cells play a big part in SedEx fluid source. These seawater convection cells contain dissolved metals from the sediments they passed through before being heated and forced to the surface. In the case of these sea-water convection, the mineral types found in the Sedex deposits are linked to the depth at which the mineralizing fluids originated.

Fluids that come from a shallow depth are rich in iron and manganese, fluids that penetrate deeper pick up lead and zinc. Copper is picked up by fluids that reach an even greater depth. The Sullivan Pb-Zn Mine in British Columbia was worked for 105 years and produced 16,000,000 tonnes of lead and zinc, as well as 9,000 tonnes of silver. It was Canada's longest lived continuous mining operation and produced metals worth over \$20 billion in terms of 2005 metal prices. Grades were in excess of 5% Pb and 6% Zn.

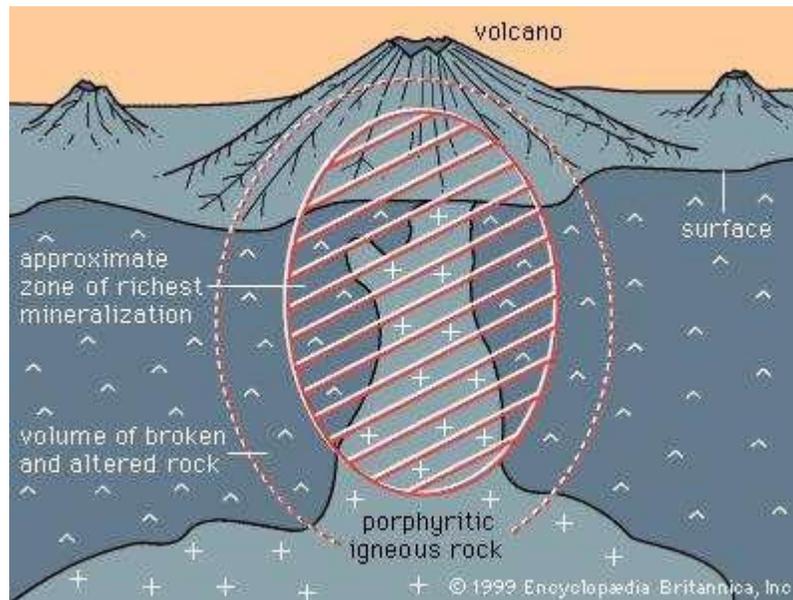
The ore genesis of the Sullivan ore body is summarized by the following process: Sediments were deposited in an extensional second-order sedimentary basin during extension; Earlier, deeply buried sediments devolved fluids into a deep reservoir of sandy siltstones and sandstones; Intrusion of dolerite sills into the sedimentary basin raised the geothermal gradient locally; Raised temperatures prompted over-pressuring of the lower sedimentary reservoir which breached overlying sediments, forming a breccia diatreme; Mineralizing fluid flowed upwards through the concave feeder zone of the breccia diatreme, discharging onto the seafloor; Ore fluids debouched onto the seafloor and pooled in a second-order sub-basin's depocentre, precipitating a stratiform massive sulfide layer from 3 to 8 m thick, with exhalative chert, manganese and barite (www.en.wikipedia.org; Lyons, W. et al., 2006; Lydon, 1996; Taylor et al., 2000).

Potential mineral deposit types

Porphyritic copper-gold

Porphyry copper deposits contain disseminated mineralization, meaning that a large volume of shattered rock contains a ramifying network of tiny quartz veins, spaced only a few centimetres apart, in which grains of the copper ore occur with pyrite. The shattered rock serves as a permeable medium for the circulation of a hydrothermal solution, and the volume of rock that is altered and mineralized by the solution can be huge: porphyry coppers are among the largest of all hydrothermal deposits, with some giant deposits containing many billions of tons of ore. Although in most deposits the ore averages only between 0.5 and 1.5 percent copper by weight, the tonnages of ore mined are so large that more than 50 percent of all copper produced comes from porphyry coppers. (Summary excerpt from britannica.com).

Porphyry coppers are often associated with stratovolcanoes. As a result of the volcanism that rings the Pacific Ocean basin, porphyry coppers are conspicuous features of mineralization along the western borders of North and South America and in the Philippines. Among the major deposits are El Teniente, El Salvador, and Chuquibambilla in Chile, Cananea in Mexico, and, in the United States, Bingham Canyon in Utah, Ely and Yerington in Nevada, and San Manuel in Arizona.



Epithermal Vein

Epithermal gold deposits are a type of lode deposit that contain economic concentrations of gold, silver and in some cases base metals including copper, lead and zinc. Gold is the principal commodity of epithermal deposits, and can be found as native gold, or alloyed with silver. As a lode deposit, epithermal deposits are characterized as having minerals either disseminated through the ore-body or contained in a network of veins. Epithermal deposits are distinctive from low-grade bulk tonnage deposits such as porphyries in that they are typically high-grade, small size deposits. A few characteristics distinguish epithermal deposits. These deposits are found near the surface and mineralization occurs at a maximum depth of 1 km, but rarely deeper than 600 m. These deposits represent a high-grade, easily mineable source of gold (excerpt from 'an overview of Epithermal Gold Deposits'; www.nasdaq.com).

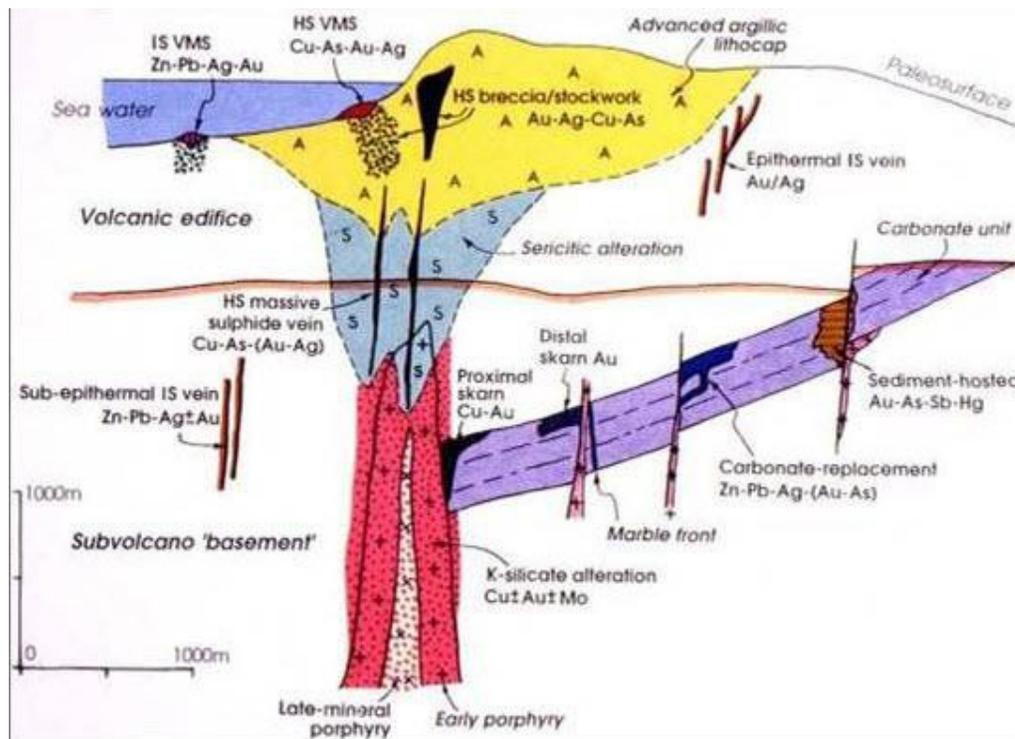
Skarn

Skarns or tactites are hard, coarse-grained metamorphic rocks that form by a process called metasomatism. Skarns tend to be rich in calcium-magnesium-iron-manganese-aluminum silicate minerals, which are also referred to as calc-silicate minerals. These minerals form as a result of alteration which occurs when hydrothermal fluids interact with a protolith of either igneous or sedimentary origin. In many cases, skarns are associated with the intrusion of a granitic pluton found in and around faults or shear zones that intrude into a carbonate layer such as a dolomite or limestone. Skarns can form by regional, or contact metamorphism and therefore form in relatively high temperature environments. The hydrothermal fluids associated with the metasomatic processes can originate from either magmatic, metamorphic, meteoric, marine, or even a mix of these. The resulting skarn may consist of a variety of different minerals which are highly dependent on the original composition of both the hydrothermal fluid and the original composition of the protolith.

If a skarn has a respectable amount of ore mineralization that can be mined for a profit, it can therefore be classified as a skarn deposit.

Figure 10 Geological model of types of mineral occurrences* that may occur in a volcanic environment

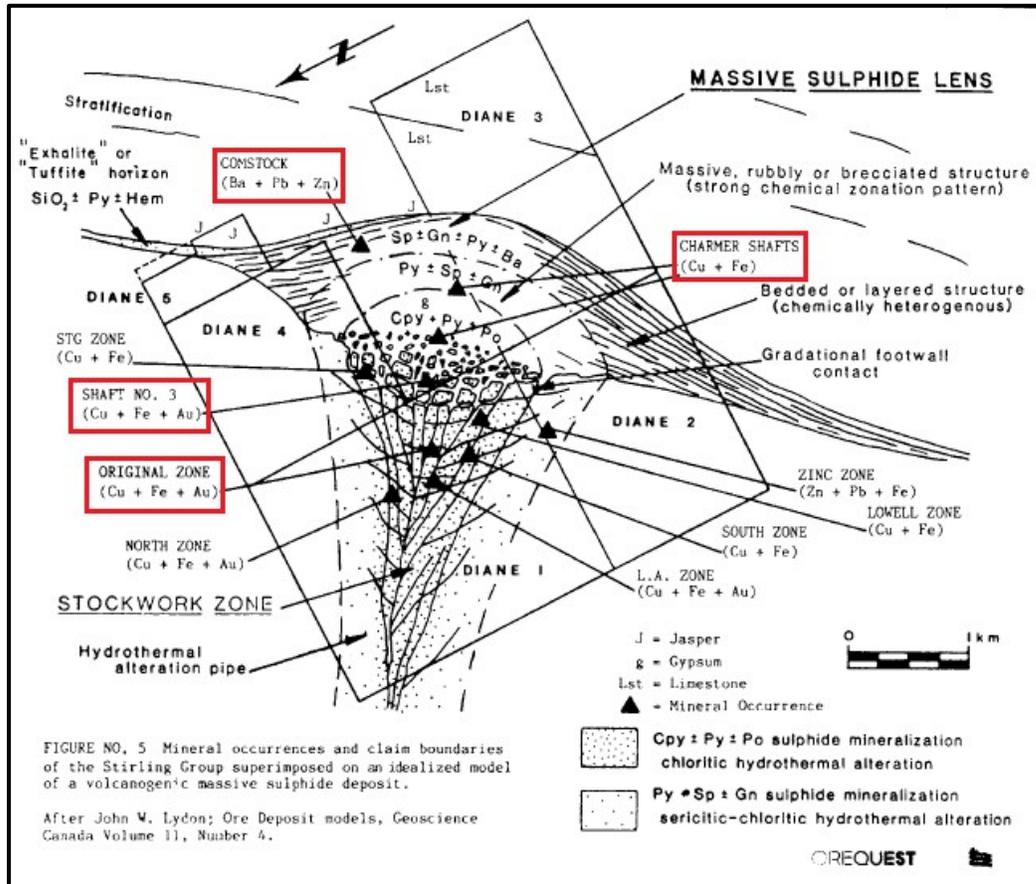
(Map from <http://earthsci.org/mineral/mindep/skarn/skarn.html>)



* Note the location of the types of mineral occurrences that occur on the Comstock property such as massive sulphide (polymetallic) veins (LD-Comstock, Diane), volcanogenic massive sulphide (VMS) (LD, LD-Comstock), auriferous veins (Charmer), and the potential type of mineralization/deposit on the Comstock property (porphyry, skarn, sediment hosted (Sedex) (LD, LD-Comstock).

The basis on which the exploration on the Comstock property is planned is the results of previous exploration information available to use as a foundation for advanced exploration primarily on the Charmer/Diane structural zone hosting the auriferous quartz-specularite-chacopyrite veins, and the LD/Comstock volcanogenic sulphide (VMS) zone.

Figure 11. Map showing mineral occurrences* in a volcanogenic massive sulphide environment at and around the Comstock showing (Base map from Cavey, 1986 AR16,058A)



* Mineral showings (Figures 4 & 5) outlined by Author.

** Original Zone is the Diane Zone

Figure 12. Geological model of a gold-bearing epithermal vein system.
(Base map from calchibahada.com)

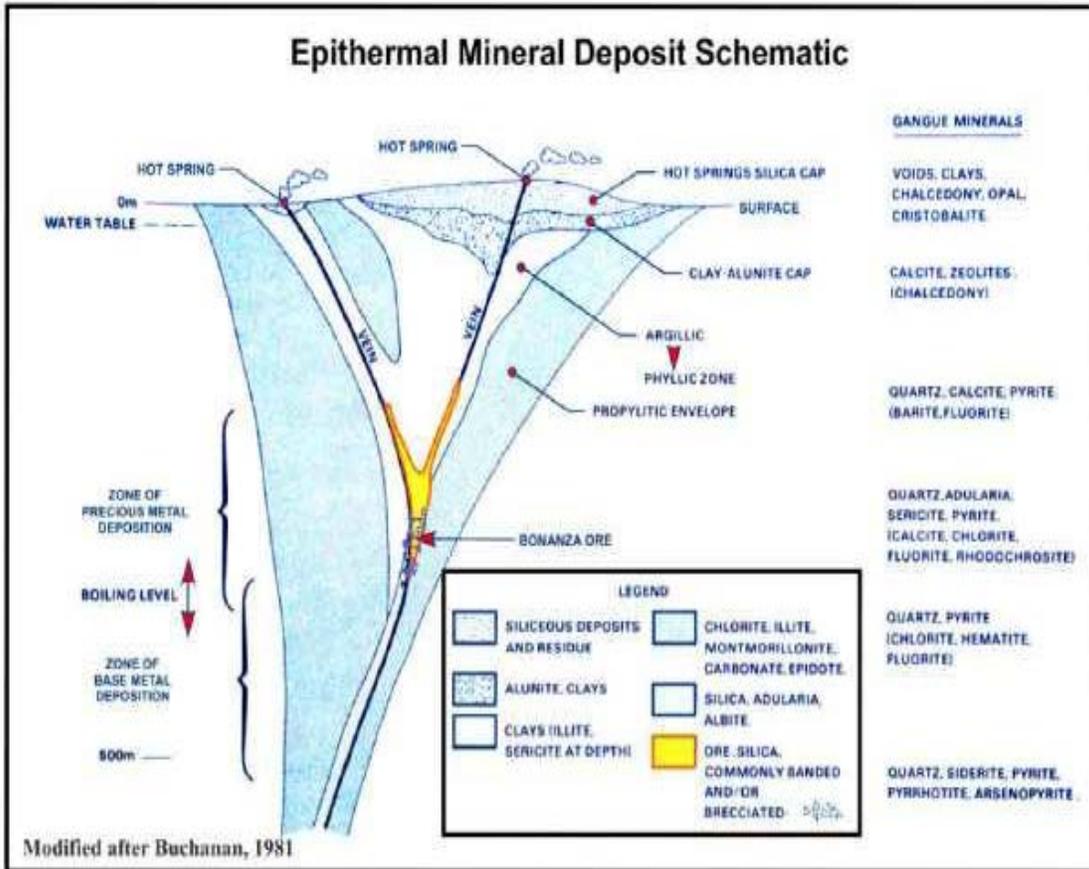
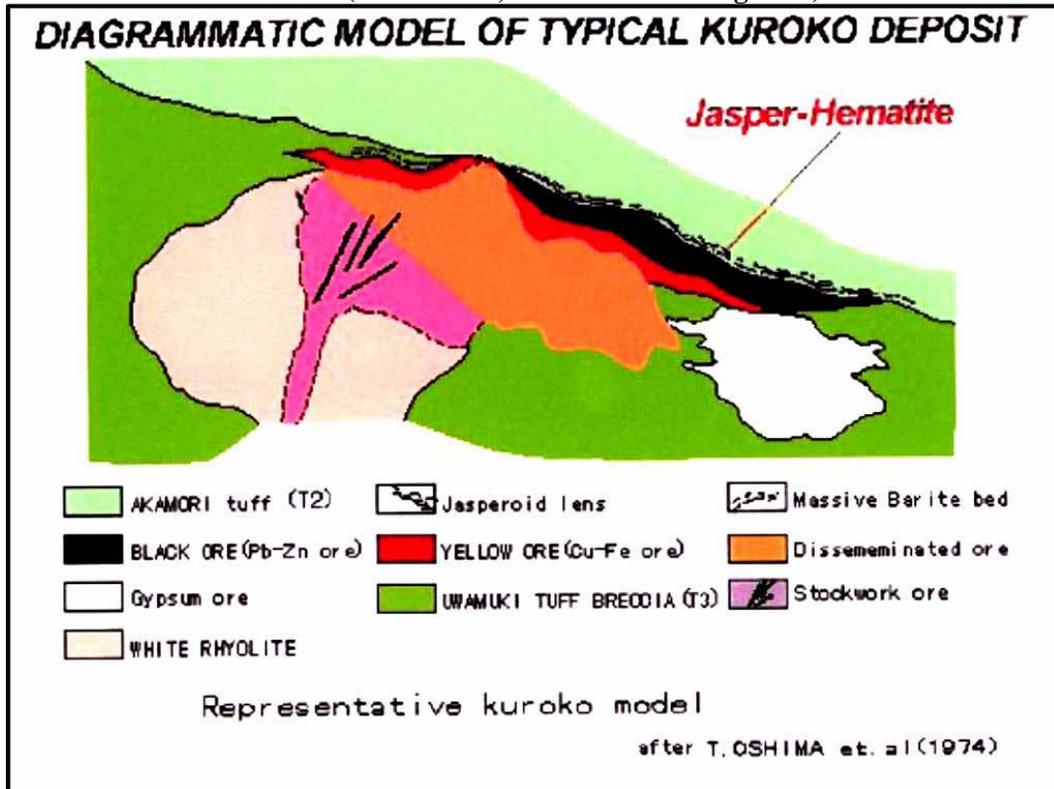


Figure 13. Hypothetical Cross section of a typical Volcanogenic massive sulphide deposit
(From Price, 2005 AR 27926 Figure 8)



Exploration

Lodge Resources Inc. completed a \$25,000.00 exploration program on the Comstock property in June, 2019. Assay results are pending.

Drilling

Limited test packsack drilling was completed by Lodge Resources Inc, in June, 2019. Assay results are pending.

Sampling Preparation, Analyses and Security

Soil and rock sample collections were completed by Lodge Resources Inc. in June 2019. Assay results are pending.

Data Verification

The data could not be verified due to lack of information.

Mineral Processing and Metallurgical Testing

There has been no mineral processing or metallurgical testing on the Comstock Property substance.

Mineral Resources and Mineral Reserves Estimates

There are currently no mineral reserves or mineral resources on the Comstock Property.

Additional Requirements for Advanced Technical Reports

These sections are excluded from the Technical Report as the Comstock Property is at an early stage of exploration.

Adjacent Properties

The history (section 23.1 of the Technical Report) and geology and mineralization (section 23.2 of the Technical Report) of adjacent properties are copied from the B.C. Government Minfile database which was compiled from publicity disclosed documents by the owners or operators.

The author has been unable to verify the Minfile information and the information is not necessarily indicative of the mineralization on the Comstock Property and is provided herein for information purposes only. The author has not relied on the adjacent property information on which to base the conclusions on the Comstock Property.

The adjacent property MINFILE reported mineral showings, developed prospects, and past producers adjacent to the Comstock Property as shown below are blocked out on Figure 7 of the Technical Report.

The distance is relative to the Comstock Property.

COPPER STAR past producer (Volcanic redbed Cu)
MINFILE 092INE036
Eight kilometres east-southeast

A small amount of production from the old workings is reported in 1915, when 41 tonnes of hand-sorted ore were shipped to a smelter. According to the returns, this shipment graded 8.7 per cent copper and 75.4 grams per tonne silver (Minister of Mines Annual Report 1915, page 227). Tanjo Mines Ltd. completed geological, geophysical and soil geochemical surveys over the showings between 1970 and 1972. Similar surveys were conducted by Redding Gold Corporation in 1988.

PORCUPINE developed prospect (Volcanic redbed Cu; Volcanogenic)
MINFILE 092ISE054
Seven kilometres east

Doublestar Resources Ltd. acquired an interest in the property in 1998.

CHATKO showing (Cu skarn)
MINFILE 092ISE130
Two kilometres north

Early trenches and an adit developed this showing.

WIN showing (Stockwork Copper, Silver, Zinc)
MINFILE 092ISE178
Three kilometres southeast

Centre of Win claims, 1.75 kilometres south of Garcia Lake, 10.5 kilometres south-southeast from the town of Merritt (Property File- Sookochoff, L.).

Geology and Mineralization: Adjacent Properties

GEO showing (Polymetallic veins Ag-Pb-Zn+/-Au; Porphyry Cu+/-Mo+/-Au)

MINFILE 092ISE016

Two kilometres southwest

The Geo showings lie in the western belt of the Upper Triassic Nicola Group. The slopes of Selish Mountain are underlain by generally green, massive to layered dacitic flows, breccias and local tuffs, interbedded with massive grey fossiliferous limestone and minor greywacke. Bedding strikes east and dips moderately to the south. Nicola Group rocks exhibit widespread weak chlorite-epidote alteration and occasional quartz veining. A large dioritic stock and isolated small plugs intrude the volcanics. A 1.5 metre wide fault zone strikes 125 degrees and dips 75 degrees north.

In the northeast portion of the property, jasper and silica with minor chalcopyrite and galena occur along fractures which parallel the main fault zone. To the southwest the intrusive contact is marked by potassium feldspar and more intense chlorite-epidote alteration. Chalcopyrite and pyrite comprise the minimal copper mineralization.

COPPER STAR past producer (Volcanic redbed Cu)

MINFILE 092HNE036

Eight kilometres east-southeast

The Copper Star occurrence covers a small area of copper showings immediately south of Courtney Lake, in the historical Aspen Grove copper camp between Merritt and Princeton, where exploration dates back to the turn of the twentieth century. It is centred on one of a number of opencuts and adits, on a hill 200 metres south of Courtney Lake, 500 metres east of Highway 5A, 7 kilometres north-northeast of the community of Aspen Grove.

The occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.

The Copper Star occurrence is one of many in the Aspen Grove area. It lies in the Central belt or facies of the Nicola Group (after Preto, Bulletin 69). This belt mainly consists of subaerial and submarine, red or purple to green augite plagioclase porphyritic andesitic and basaltic flows, volcanic breccia and tuff, and minor argillite and limestone. The volcanics are locally intruded by bodies of comagmatic diorite to monzonite of Late Triassic to Early Jurassic age.

The region is characterized by long-lived, primarily north-striking faults and related fracturing, which originally controlled intrusion emplacement. Two important fault systems in the Aspen Grove area, the Kentucky-Alleyne fault and a splay of the Allison fault converge in the Copper Star area, just south of Courtney Lake. Numerous shear zones which host mineralization, described below, are probably related to these structures.

The Copper Star group of showings is hosted in red and green, augite and/or plagioclase porphyritic flows, breccias and tuffs of andesitic or basaltic composition (Assessment Report 17554). The volcanics contain magnetite. The strata strike northwest and dip southwest.

Mineralization is most commonly hosted in the shear zones or in brecciated fracture zones. Here, alteration minerals are accompanied by malachite and pyrite, and smaller amounts of chalcopyrite, bornite, chalcocite, and locally minor native copper (Annual Report 1915; Assessment Report 17554; Geological Survey of Canada Memoir 243). Outside the shear zones, there are local concentrations of disseminated chalcopyrite, and up to 10 per cent pyrite in volcanic tuff and breccia.

A number of old trenches, adits and opencuts exist in the area, and are most commonly located on the altered and mineralized shear zones or fractures in augite porphyry volcanics. The various old workings are scattered about an area, 200 metres wide, trending northeast for 290 metres. Copper values from these areas are generally not high; however, one sample was analysed at 0.29 per cent copper, and another grab sample assayed 0.7 per cent copper (Assessment Reports 4779, 17554). Silver values are also low, the maximum being 2 grams per tonne (Assessment Report 17554).

A small amount of production from the old workings is reported in 1915, when 41 tonnes of hand-sorted ore were shipped to a smelter. According to the returns, this shipment graded 8.7 per cent copper and 75.4 grams per tonne silver (Minister of Mines Annual Report 1915, page 227). Tanjo Mines Ltd. completed geological, geophysical and soil geochemical surveys over the showings between 1970 and 1972. Similar surveys were conducted by Redding Gold Corporation in 1988.

PORCUPINE developed prospect (Volcanic redbed Cu; Volcanogenic)

MINFILE 092ISE036

Seven kilometres east

The Porcupine occurrence is located in a northeast trending, fault-bound belt of Lower Cretaceous intermediate to felsic continental volcanic rocks with associated sedimentary and intrusive rocks which correlate with the Kingsvale Group. Locally, stratigraphic contacts strike 030 degrees and dip 35 degrees to the southeast and unconformably overlie Upper Triassic Nicola Group volcanics. In the vicinity are reddish brown to maroon coloured andesitic to basaltic flows which are rich in plagioclase and, to a lesser extent, augite and zeolite (laumontite).

Mineralization consists of disseminations of chalcocite, native copper, cuprite, bornite, chalcopyrite, pyrite, magnetite and specular hematite in brecciated tops of subaerial flows. Minerals occur in amygdules and thin fractures. Minor malachite and azurite occur near the surface. The main showing contains a 15 metre deep inclined shaft sunk on a mineralized amygdaloidal, dark grey basaltic flow which is overlain by red tuffs.

CHATKO showing (Cu skarn)

MINFILE 092ISE130

Two kilometres north

The western belt of the Upper Triassic Nicola Group is comprised of a northeast trending sequence of calc-alkaline flows grading upward into pyroclastics, epiclastic sediments and limestone.

The property is underlain primarily by andesitic, dacitic and to a lesser extent, rhyolitic flows and breccia. Flow rocks vary from massive to porphyritic and/or amygdaloidal.

They are cut by intermediate to felsic intrusions and intercalated with limestone, volcanic sandstone and tuff. The carbonate unit is comprised of light grey massive limestone lenses and bands parallel to primary bedding. Its contacts with wall rocks are sharp. Bedding strikes north to northeast and dips gently southeast. A major fault zone trends northwest along Godey Creek, 400 metres west of the Chatko showing. On the property, faulting, fracturing and silicification are evident.

The principal mineral showing consists of a semi-concordant, northeast trending skarn zone 65 by 35 metres. It is hosted by limestone and calc-silicate units and is underlain directly by rhyolitic pyroclastic rocks. Mineralization consists of massive and disseminated magnetite, with veins and seams of chalcopyrite and hematite. Chalcopyrite occurs as blebs along contacts, in irregular magnetite masses, or disseminated in host rock adjacent to the veins. Other skarn minerals are epidote, specular hematite, pyrite, quartz and calcite.

DOT showing (Cu skarn; disseminated, Stockwork)
MINFILE 092ISE159
One kilometre east

The western belt of the Upper Triassic Nicola Group consists of a sequence of calc-alkaline flows, pyroclastics, epiclastic sediments and abundant limestone. The western and central Nicola Group belts are separated by a northeast trending regional fault. Rocks on the property exhibit extensive fracturing. The most prominent orientations of fractures are 035 degrees and 345 degrees with highly variable dips. Locally the showing is underlain by red to purple andesitic breccia and tuff, plagioclase porphyritic andesite, massive to poorly bedded grey fossiliferous limestone and associated limy sediments. Alteration minerals are chlorite and/or epidote.

Copper mineralization occurs in skarns and in the Nicola Group rocks. The skarn zones are 0.6 to 3 metres wide, consist primarily of magnetite and carry chalcopyrite and very minor bornite. In the volcanic flows and limestone, these sulphides occur as fine fracture linings and sparse disseminations. Sphalerite, pyrite, pyrrhotite and specular hematite also occur.

WIN showing (Stockwork Copper, Silver, Zinc)
MINFILE 092ISE178
Three kilometres southeast

Regionally the area is underlain by Upper Triassic Nicola Group andesite, porphyritic andesite, basalt, breccias and limestone. Granitic rocks of the Juro-Cretaceous Coast Plutonic Complex are found to the east of the occurrence area.

Generally the mineralization within the pit consists of fracture-controlled chalcopyrite, pyrite, hematite, sphalerite, tetrahedrite and minor bornite. A grab sample from a trench assayed 1.04 per cent copper and 19.88 grams per tonne silver (Sookochoff, L.).

JPG 1 showing (Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092ISE183
Two kilometres northeast

The western belt of the Upper Triassic Nicola Group consists mainly of an east facing sequence of calc-alkaline flows grading upward into pyroclastics, epiclastic sediments and abundant limestone, separated from the central belt by a northeast trending regional fault.

Local lithologies are dark green to grey, massive to plagioclase porphyritic andesite, andesitic breccia, tuff and interbedded grey, massive to cherty fossiliferous limestone. Bedding strikes northeast and dips steeply to the southeast. Some folding is indicated. A northwest trending fault and north-northeast trending shear and fracture zones dominate the central portion of the JPG 1 showing. Alteration is mainly epidotization and chloritization.

Mineralization is controlled by structural features. Showings consist of an old inclined shaft, trenches and open cuts which expose three parallel north trending zones varying in width from 1.5 to 6.1 metres and are traceable for up to 600 metres. Mineralization consists of native copper, chalcopyrite, magnetite, bornite, malachite, azurite, hematite and sphalerite in a gangue of plagioclase, hematite, quartz and calcite.

Other Relevant Data and Information

There is no other relevant data and/or information on the Comstock Property.

Interpretation and Conclusions

The various types of mineral properties on and periperal to the Comstock property, all with a common geological setting, indicate that various types of mineral deposits can occur on the Property of which two types, volcanogenic massive sulphide (VMS) and auriferous quartz-specularite-chacopyrite veins, are the main types on the Comstock Property that have been explored to a limited degree.

The potential of a VMS or Sedex (Section 8) mineral zone on the Comstock property, and a prime exploration target, is in the two kilometre band of rhyolite/pyroclastic rock hosting two mineral zones, the LD and the LD-Comstock. Indications of VMS mineralization at the LD-Comstock shaft is in the banded and bedded lead-zinc-barite that occurs in rhyolite at the LD-Comstock shaft and the float and outcrop of baritic massive sulphide at the LD mineral zone some two kilometres northeast of the LD - Comstock.

There is the potential at the Charmer/Diane mineral zone for a quartz-lode gold type deposit; possibly epithermal (Section 8) in the 2,800-metre-long shear zone that hosts auriferous quartz veining within a trend of mineralization over a length of 250 metres and varying up to several metres wide. A 1.38 metre section of core, of unknown true width, from a drill-hole at the Diane "Original" mineral zone returned an assay of 1 5.56 grams per tonne gold and 16.43 grams per tonne silver.

The structurally hosted mineralized veins of the Charmer/Diane mineral zone are commonly associated with, and which may have, originated from an underlying mineralized porphyry system.

The Comstock property warrants additional exploration to determine the consistency and continuity of mineralization in the two main zones and to explore for a mineral zone that indicates a potential copper/gold porphyry resource or an epithermal system

An exploration program of geophysical, geochemical, and geological surveys estimated to cost \$101,230.00, is recommended for the Comstock property.

Recommendations

All the historic exploration data of work completed on the Comstock property should be digitized, correlated, and analyzed to provide a greater insight into the two main zones of mineralization: the Charmer/Diane structural zone hosting the auriferous quartz-specularite-chacopyrite veins, and the

LD/Comstock volcanogenic sulphide (VMS) zone. The correlative information should aid in the determination of a general geological and mineralogical relationship.

The subsequent exploration should be confined to the two mineral zones for the purpose of determining the consistency and continuity of mineralization between the Charmer and the Diane Mineral areas on the northwesterly structural trend, and VMS mineralization between the Comstock and the LD within the northeasterly trending rhyolite flow/pyroclastic unit.

The area to be covered should be a minimum 200 metre width and a length of 2,500 metres on the VMS zone and 2,800 metres on the structural zone. The exploration should consist of a magnetometer and a VLF EM geophysical survey, a soil geochemical survey, and a geological survey.

The purpose of the geophysical surveys would be to detect the structure hosting the known mineral showings and possibly detect unknown en-echelon structures which may host mineralization. The purpose of the geochemical survey would be to confirm the known Charmer/Diane mineralization and to locate other areas of mineralization by relating the results to the Charmer/Diane mineralization. The geological survey would be to map the various types of mineralization with the likelihood of locating surface indications of epithermal veins which may lead to the discovery of a concealed mineralized porphyry. Noting the alteration and vein characteristics would be essential in the determination of an epithermal system.

With the correlation of the current and historical exploration results, the prime areas for additional exploration should be determined for initial exploration.

Estimated exploration costs

Exploration			Days	\$Rate/day	\$Sub-cost	\$Total cost
Digitize historic data						7,500.00
			Days	\$Rate/day	\$Sub-cost	
Geochem	People	2	10	375	7,500	
	Truck rental		12	275	3,300	
	Fuel				550	
	Accommodation		10	75	750	
	Meals		11	50x2	1,100	
	Field supplies				500	
	Report costs				3,000	
	Support costs				2,700	20,000.00

*Upon completion of the Geochem survey, the samples that will be analyzed will only cover anomalous VLF & Mag areas. Thus the number of samples to be analyzed and the cost could not be estimated. However, in order to maintain the Geochem budget requirements, the cost for the analyses will be taken from Contingencies.

			Days	\$Rate/day	\$Sub-cost	
VLF & Mag	People	2	8	375	6,000	
	Truck rental		10	275	2,750	
	Fuel				400	
	Accommodation		8	75	600	
	Meals		10	50x2	1,000	
	VLF&Mag rental		10	100x2	2,000	
	Report costs				2,750	
	Support costs				2,000	17,500.00

			Days	\$Rate/day	\$Sub-cost	
Geological survey						
(Work with geochem crew)						
	Geologist	1	5	800	4,000	
	Assistant (from	1	5	250	1,250	
	Accommodation		6	75	450	

	Meals		6	50	300	
	Transportation (Return to Vancouver)				50	
	Report costs (Joint with geochem)				2,000	8,000.00

Engineering						10,000.00
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			Days	\$Rate/day	\$Sub-cost	
Engineering associated costs	Truck rental		9	275	2,475	
	Fuel				1,000	
	Accommodation		8	75	600	

	Meals		8	50	400	
	Office & sundry				525	5,000.00

Contingencies	10,000.00
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Total estimated cost of the proposed exploration program	101,230.00
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The engineering and associated costs are directly related to the exploration program of the Comstock property as set out in the above table and are integral to the successful completion of the exploration program and includes the review of the digitalized historic exploration data which can be superimposed and correlated to determine a potential correlative anomalous mineral for the initial exploration of the Charmer/Diane and the LD/Comstock mineral zones of the Comstock property. Subsequent related engineering would be the field investigation of the area selected for exploration, the supervision of the contracted exploration programs, the review of the reports submitted on the results of the soil geochemical, geological, and geophysical exploration, and to the correlate the information into a final report with recommendations for the future exploration of the property.

It is estimated that the recommended exploration program would take two months to complete.

USE OF PROCEEDS

Funds Available

As at July 31, 2019, the Issuer had working capital of \$27,228. The net proceeds to the Issuer from the sale of the Common Shares offered hereunder are estimated to be \$249,377.50 under the Offering, after deducting the Agent's Commission of \$28,000, and the balance of the estimated expenses relating to the Offering totaling \$72,622.50. The net proceeds available on completion of the Offering are estimated to be \$276,605.50 as set out below:

Item	Amount (\$)
Gross Proceeds of Offering	350,000
Working capital as at July 31, 2019	27,228
Less: Agent's Commission	28,000
Less: Balance of Agent's corporate finance fee and legal fees and disbursements ⁽¹⁾	29,812.50
Less: Estimated regulatory fees related to the Offering	18,800
Less: Further estimated legal and accounting expenses relating to the Offering	24,010
Net Proceeds Available on Completion of the Offering	276,605.50

(1) Comprised of the corporate finance fee of \$22,500 plus GST of \$1,125 for a total of \$23,625, less the 50% already paid of \$11,812.50, and \$28,000 for the Agent's anticipated legal and other expenses for which a retainer of \$10,000 has been paid.

Principal Purposes

The net proceeds available on completion of the Offering will be expended to complete the recommended exploration program on the Property and for general working capital purposes. The Issuer intends to use the funds as detailed in the following section:

Item	Amount (\$)
Amount due on Listing Date for Comstock Property Option	10,000
Conduct recommended Comstock exploration program ⁽¹⁾	76,230
Estimated General and Administrative Expenses (12 months)	95,800
Unallocated Working capital	94,575.50
Total	276,605.50

(1) Based on the recommended exploration program budget of \$101,230, less \$25,000 in expenditures spent by the Issuer on the Property in June 2019.

Business Objectives

The proceeds of this Offering are intended to be used for the purposes set out above; however, the Issuer reserves the right to redirect any portion of the funds in such manner as it considers in the best interest of the shareholders.

The recommended work program outlined in the Technical Report calls for expenditures of CDN \$101,230 for exploration work on the Property. Management intends to proceed with the recommended work program to assess the viability of the Property. It is possible that some portion of the net proceeds allocated for the work program will be devoted to other acquisition, development or exploration opportunities identified by the Issuer from time to time.

Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to the Issuer. Accordingly, the Issuer may abandon in whole or in part any of its property interests or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Issuer after the closing of the Offering, although the Issuer has no present plans in this respect. Subscribers pursuant to this Prospectus must rely on the experience, good faith and expertise of management of the Issuer with respect to future acquisitions and activities.

A summary of the estimated annual general and administrative costs is as follows:

Item	Amount (\$)
Professional fees (legal and accounting)	17,000
Consulting fees (management)	42,000
Corporate and shareholder communications	10,000
Transfer agent fees	4,000
Office and rent	6,000

Regulatory fees	11,800
Travel	1,000
Other general and administrative costs	4,000
Estimated 12 month general and administrative expenses	95,800

DIVIDEND POLICY

The Issuer has not paid out any dividends or distributions and does not have a policy regarding dividends or distributions.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six month period ended May 31, 2019

The following MD&A of Lodge Resources Inc. (the “Issuer”) has been prepared by management, in accordance with the requirements of NI 51-102 as of July 28, 2019 and should be read in conjunction with the audited consolidated financial statements for the period from date of incorporation on October 24, 2018 to November 30, 2018 and the related notes contained therein which have been prepared under IFRS. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Issuer. The Issuer is not a “Venture Issuer” as defined in NI 51-102.

All financial information in this MD&A has been prepared in accordance with IFRS. All monetary amounts are expressed in Canadian dollars, the presentation and functional currency of the Issuer, unless otherwise indicated.

Overview

The Issuer was incorporated in the Province of British Columbia on October 24, 2018 under the name of “Lodge Resources Inc.” On October 31, 2018, Lodge Minerals Inc. was incorporated in the Province of British Columbia and is a wholly-owned subsidiary of the Issuer. The Issuer is in the process of exploring mining claims which are held under option and has not yet determined whether or not the optioned properties will contain economically recoverable reserves.

As at May 31, 2019, the Issuer reported working capital of \$47,895 and may require financing from outside participation to continue exploration and subsequent development of its mining claims under the option and to be able to make payments required under the Comstock Option Agreement. As at May 31, 2019 the Issuer had not yet achieved profitable operations, has accumulated losses of \$68,402 as at May 31, 2019 since its inception and expects to incur further losses in the development of its business, all of which casts doubt about the Issuer’s ability to continue as a going concern. The Issuer’s ability to continue as a going concern is dependent on continued financial support from its shareholders, the ability of the Issuer to raise equity financing, the attainment of profitable operations and external financings.

Significant Events

On May 16, 2019, the Issuer received conditional approval for listing on the Canadian Securities Exchange (CSE). Listing is subject to the Issuer fulfilling all of the listing requirements of the CSE. On May 24, 2019, the Issuer signed an agency agreement with PI Financial Corp. where PI Financial Corp. will act as agent to offer the Issuer’s common shares in an initial public offering (IPO) at \$0.10 per share to raise \$350,000.

On May 24, 2019 the Issuer obtained a receipt for its final long form prospectus dated May 24, 2019 qualifying the shares under the IPO. The Issuer is targeting to complete the IPO in August 2019 and to achieve listing in September 2019.

Overall Performance

As the Issuer was only incorporated on October 24, 2018 and had its first fiscal year-end November 30, 2018, there are no prior periods for comparison.

Exploration Activities

Area and Location

The Comstock Property is comprised of twelve (12) contiguous mining claims that are the subject of the Comstock Property Option Agreement. The claims that comprise the Property cover an area of 664.0111 hectares and are located 181 kilometers northeast of Vancouver and seven kilometers south of Merritt, British Columbia, within the Nicola Mining District.

Please refer to the section of the Prospectus entitled “Narrative Description of the Business”, under the subheading “Property Description and Location”.

No exploration and evaluation expenses have been incurred yet by the Issuer.

Results of Operations - For the six month period ended May 31, 2019:

Revenues

Due to the Issuer’s status as an exploration stage mineral resource Issuer and a lack of commercial production from its properties, the Issuer currently does not have any revenues from its operations.

Expenses

During the three period ended May 31, 2019, the Issuer recorded a loss of \$4,343 and for the six month period ended May 31, 2019, a loss of \$40,116. There were no operating expenses incurred.

Selected Annual Information

	November 30, 2018
Revenue	Nil
Earnings	Nil
Loss for the period	(28,286)
Deficit	(28,286)
Loss Per Share (Basic & Diluted)	(0.15)
Dividends	Nil
Fixed assets	-
Total assets	103,410

Summary of Quarterly Results

(\$000's except earnings per share)

	November 30, 2018	February 28, 2019	May 31, 2019
Revenue	Nil	Nil	Nil
Earnings	Nil	Nil	Nil
Loss for the period	(28)	(36)	(4)
Deficit	(28)	(64)	(68)
Loss Per Share (Basic & Diluted)	(0.15)	(0.01)	(0.00)
Dividends	Nil	Nil	Nil
Fixed assets	-	-	
Total assets	103	88	83

Figures for the periods prior to November 30, 2018 are not available as the Issuer was only incorporated in October 2018.

Liquidity and Capital Resources

As at May 31, 2019, the Issuer had working capital of \$47,895 and an accumulated deficit of \$68,402. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on an ongoing basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Issuer is dependent upon the financial support of creditors and stockholders, refinancing debts payable, obtaining additional long-term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Issuer believes it will require additional working capital to meet operating and exploration costs for the upcoming year.

Subsequent to the year ended November 30, 2018 the Issuer completed the following transactions:

- a) The Issuer issued options on January 8, 2019 for 500,000 shares to its 3 directors exercisable at \$0.10 each until November 30, 2023.
- b) Entered into Consulting Agreements each dated January 8, 2019 pursuant to which services will be provided by Howard Milne and Steve Mathiesen.
- c) On May 16, 2019, the Issuer received conditional approval for listing on the Canadian Securities Exchange (CSE). Listing is subject to fulfilling all of the listing requirements of the CSE.
- d) On May 24, 2019, the Issuer signed an agency agreement with PI Financial Corp. where PI Financial Corp. will act as agent to offer the Issuer's common shares in an initial public offering (IPO) at \$0.10 per share to raise \$350,000.

- e) On May 24, 2019, the Issuer obtained a receipt for its final long form prospectus dated May 24, 2019 qualifying the shares under the IPO.

Contractual Obligations

The Issuer is subject to certain contractual obligations associated with the Comstock Property Option Agreement. In order to exercise the option under the Comstock Property Option Agreement, the Issuer shall pay to the Owner of the Property the aggregate sum of \$315,000 and issue a total of 600,000 Common Shares in instalments, and complete minimum expenditures on the Property in installments equalling \$600,000.

Related Party Transactions

As of May 31, 2019, the balance payable to related parties is \$nil (November 30, 2018 - \$nil) .

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. During the period ended May 31, 2019, the Company granted 500,000 stock options to the directors and officers of the Company at a value of 16,047.

Capital risk management

The Issuer's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Issuer includes shareholders' equity, comprised of issued share capital, contributed surplus and deficit, in the definition of capital.

The Issuer's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further exploration on its properties. To secure the additional capital necessary to pursue these plans, the Issuer will attempt to raise additional funds through the issuance of equity, debt or by securing strategic partners.

The Issuer is not subject to externally imposed capital requirements. The Issuer's financial instruments and risk exposures are summarized below.

Currency risk

Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies. The Issuer's functional and presentation currency is the Canadian dollar.

Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Issuer is exposed to credit risk with respect to its cash. The Issuer reduces its credit risk by maintaining its primary bank accounts at large financial institutions.

Liquidity risk

Liquidity risk is the risk that the Issuer will not be able to meet its obligations as they fall due. The Issuer manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at May 31, 2019, the Issuer had a working capital of \$47,895.

The Issuer has liquidity risk and is dependent on raising additional capital to fund exploration and operations.

Fair Value risk

Fair value represents the amounts at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on quoted market values and other valuation methods.

The carrying values of cash, reclamation bonds, bank overdraft and accounts payable and accrued liabilities approximate fair values due to the relatively short-term maturities of these instruments.

Fair Value Hierarchy

The three levels of the fair value hierarchy are:

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

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

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

The fair values of cash are measured based on level 1 inputs of the fair value hierarchy.

Risks And Uncertainties

The Issuer is engaged in the acquisition and exploration of mining claims. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Issuer has an interest in a mineral property that produces revenues. The Issuer's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Issuer's financial statements do not give effect to any

adjustments which would be necessary should the Issuer be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the consolidated financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Issuer cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Issuer's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Issuer and other factors.

Outstanding Shares, Stock Options, And Warrants

Common Shares:

Issued and outstanding:	November 30, 2018	3,825,000
Issued and outstanding:	May 31, 2019	3,825,000

Warrants:

Issued and outstanding:	Nil
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Stock Options:

Issued and outstanding:	May 31, 2019	500,000
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Off-Balance Sheet Arrangements

The Issuer has no off-balance sheet arrangements.

Proposed Transactions

The Issuer is anticipating an initial public offering and listing of its Common Shares on the Canadian Securities Exchange in fiscal 2019.

Significant Accounting Policies

Restoration liabilities

The Issuer recognizes the fair value of restoration liabilities related to statutory, contractual or legal obligations associated with the retirement of mining claims in the year in which it is incurred when a reasonable estimate of fair value can be made, in which case the carrying amount of the related mining claim is increased by the same amount as the net present value of the restoration liability. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The Issuer's estimates of such costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures and changes in the net present value.

Acquisition, exploration and evaluation expenditures

The Issuer is in the exploration stage with respect to its investment in exploration properties and follows the practice of capitalizing all costs relating to the acquisition of its interest in properties excluding mining lease agreements. All exploration and development expenditures are expensed in the period incurred. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate acquisition costs related to abandoned mineral properties are charged to income at the time of any abandonment or when it has been determined that there is evidence of permanent impairment.

An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for interest in exploration properties is dependent upon the discovery of economically recoverable reserves, the ability of the Issuer to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Issuer recognizes in income costs recovered on exploration properties when amounts received or receivable are in excess of the carrying amount.

All capitalized acquisition costs of interests in properties are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that the capitalized acquisition cost is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

Share Capital

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

Income/Loss per share

The Issuer presents basic and diluted income/loss per share data for its Common Shares, calculated by dividing the income/loss attributed to common shareholders of the Issuer by the weighted average number of Common Shares outstanding during the period. Diluted income/loss per share does not adjust the income/loss attributed to the common shareholders or the weighted average number of Common Shares outstanding when the effect is anti-dilutive.

Provisions

A provision is recognized in the statements of financial position when the Issuer has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The Issuer has recorded no provisions at November 30, 2018.

Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the 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 recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: 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 the assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

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. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Issuer intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

Financial assets

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following categories: financial assets 'at fair value through profit or loss' ("FVTPL"), 'held-to-maturity investments', 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets classified as FVTPL are measured at fair value with any resultant gain or loss recognized in profit or loss. Financial assets classified as available-for-sale are measured at fair value with any resultant gain or loss being recognized directly under other comprehensive income.

Investments in equity instruments classified as available-for-sale that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. When available-for-sale financial assets are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in profit or loss. Financial assets classified as loans and receivables and held to maturity, are measured at amortized cost using the effective interest rate method.

Financial liabilities

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities including borrowings are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

De-recognition of financial liabilities:

The Issuer derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

The Issuer's financial instruments are classified as follows:

<u>Financial assets:</u>		<u>Classification:</u>
Cash	-	FVTPL
 <u>Financial liabilities:</u>		 <u>Classification:</u>
Bank overdraft	-	FVTPL
Accounts payable and accrued liabilities	-	Other financial liabilities

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

With the exception of Available-For-Sale ("AFS") financial assets, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of AFS financial assets, impairment losses previously recognized through profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on 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); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Issuer's financial instrument measured at fair value on the statement of financial position consists of cash, which is measured at level 1 of the fair value hierarchy.

Foreign currency translation

Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At closing date, monetary assets and monetary liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate.

Non-monetary items measured at historical cost are translated using the historical exchange rate. Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Recent Accounting Pronouncements

The Issuer has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Issuer has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

Accounting Standards Effective for annual periods beginning on or after January 1, 2018

- New standard IFRS 9, Financial Instruments

IFRS 9 is a new standard on financial instruments that will replace IAS 39, Financial Instruments: Recognition and Measurement. This standard simplifies the current measurement model for financial instruments under IFRS and establishes two measurement categories for financial assets: amortized cost and fair value. The existing IAS 39 categories of loans and receivables, held to maturity investments, and available for sale financial assets will be eliminated.

- Amendments to IFRS 7, Financial Instruments: Disclosure

Amendment to require additional disclosures on transition from IAS 39 to IFRS 9.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

Information regarding significant areas of estimation, uncertainty and critical judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are the following:

Share-based payments

Judgment is applied in determining the share price to be assigned to shares issued to enter into mining lease agreements.

Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the probability that the Issuer will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction.

Additionally, future changes in tax laws in the jurisdictions in which the Issuer operates could limit the ability of the Issuer to obtain tax deductions in future periods.

Determination of functional currency

In accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates, management determined that the functional currency of the Issuer and its subsidiary is the Canadian dollar.

Other significant accounting estimates include the amounts accrued for restoration liabilities.

*Internal Controls Over Financial Reporting*Changes in Internal Control over Financial Reporting (“ICFR”)

In connection with National Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Issuer will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective Management’s Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

Management’s Responsibility For Financial Statements

The information provided in this MD&A, including the consolidated financial statements, is the responsibility of management. In the preparation of consolidated financial statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the consolidated financial statements

MANAGEMENT DISCUSSION AND ANALYSIS**For the period from date of incorporation on October 24, 2018 to November 30, 2018**

The following MD&A of Lodge Resources Inc. (the “Issuer”) has been prepared by management, in accordance with the requirements of NI 51-102 as of May 31, 2019 and should be read in conjunction with the audited consolidated financial statements for the period from date of incorporation on October

24, 2018 to November 30, 2018 and the related notes contained therein which have been prepared under IFRS. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Issuer. The Issuer is not a “Venture Issuer” as defined in NI 51-102.

All financial information in this MD&A has been prepared in accordance with IFRS. All monetary amounts are expressed in Canadian dollars, the presentation and functional currency of the Issuer, unless otherwise indicated.

Overview

The Issuer was incorporated in the Province of British Columbia on October 24, 2018 under the name of “Lodge Resources Inc.” On October 31, 2018, Lodge Minerals Inc. was incorporated in the Province of British Columbia and is a wholly-owned subsidiary of the Issuer. The Issuer is in the process of exploring mining claims which are held under option and has not yet determined whether or not the optioned properties will contain economically recoverable reserves.

As at November 30, 2018, the Issuer reported working capital of \$76,964 and may require financing from outside participation to continue exploration and subsequent development of its mining claims under the option and to be able to make payments required under the Comstock Option Agreement. As at November 30, 2018, the Issuer had not yet achieved profitable operations, has accumulated losses of \$28,286 as at November 30, 2018 since its inception and expects to incur further losses in the development of its business, all of which casts doubt about the Issuer’s ability to continue as a going concern. The Issuer’s ability to continue as a going concern is dependent on continued financial support from its shareholders, the ability of the Issuer to raise equity financing, the attainment of profitable operations and external financings.

Significant Events

On October 24, 2018, the incorporation date of the Issuer, Howard Milne, Steve Mathiesen, James Place and Adrian Van de Mosselaer were elected as directors of the Issuer, Howard Milne was elected as President and Chief Executive Officer, Steve Mathiesen was elected as Chief Financial Officer, Corporate Secretary and Dale Matheson Carr-Hilton Labonte LLP, Chartered Public Accountants of Vancouver, British Columbia were appointed as auditors of the Issuer. On January 24, 2019, Mr. Van de Mosselaer resigned as a director for personal reasons. Howard Milne, Steve Mathiesen and James Place were appointed to the audit committee of the Issuer.

Overall Performance

As the Issuer was only incorporated on October 24, 2018 and had its first fiscal year-end November 30, 2018, there are no prior periods for comparison.

Exploration Activities

Area and Location

The Comstock Property is comprised of twelve (12) contiguous mining claims that are the subject of the Comstock Property Option Agreement. The claims that comprise the Property cover an area of 664.0111 hectares and are located 181 kilometers northeast of Vancouver and seven kilometers south of Merritt, British Columbia, within the Nicola Mining District.

Please refer to the section of the Prospectus entitled “Narrative Description of the Business”, under the subheading “Property Description and Location”.

No exploration and evaluation expenses have been incurred yet by the Issuer.

Results of Operations - For the period of October 24 to November 30, 2018:

Revenues

Due to the Issuer’s status as an exploration stage mineral resource company and a lack of commercial production from its properties, the Issuer currently does not have any revenues from its operations.

General and Administrative Expenses

During the period ended November 30, 2018 the Issuer recorded a loss of \$28,286. There were no operating expenses incurred.

Summary of Quarterly Results

The Issuer has only had a financial year end as at November 30, 2018 and has completed financial statements for the six months ended May 31, 2019.

May 31, 2019	
Revenue	Nil
Earnings	Nil
Loss for the period	(40,116)
Deficit	(68,402)
LPS (Basic & Diluted)	(0.1)
Dividends	Nil
Fixed assets	-
Total assets	83,452

As at November 30, 2018, the Issuer had 3,825,000 common shares (\$110,250) issued and outstanding.

Liquidity and Capital Resources

As at May 31, 2019, the Issuer had working capital of \$47,895 and an accumulated deficit of \$68,402. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) on an ongoing basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the

Issuer is dependent upon the financial support of creditors and stockholders, refinancing debts payable, obtaining additional long-term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Issuer believes it will require additional working capital to meet operating and exploration costs for the upcoming year.

Subsequent to the year ended November 30, 2018 the Issuer completed the following transactions:

- c) The Issuer issued options for 500,000 shares to its 3 directors exercisable at \$0.10 each until November 30, 2023
- d) Entered into Consulting Agreements each dated January 8, 2019 pursuant to which services will be provided by Howard Milne and Steve Mathiesen.

Contractual Obligations

The Issuer is subject to certain contractual obligations associated with the Comstock Property Option Agreement. In order to exercise the option under the Comstock Property Option Agreement, the Issuer shall pay to the Owner of the Property the aggregate sum of \$315,000 and issue a total of 600,000 Common Shares in instalments, and complete minimum expenditures on the Property in installments equalling \$600,000.

Related Party Transactions

As of May 31, 2019, the balance payable to related parties is \$nil (November 30, 2018 - \$nil).

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. During the period ended May 31, 2019, the Company granted 500,000 stock options to the directors and officers of the Company at a value of 16,047.

Capital risk management

The Issuer's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Issuer includes shareholders' equity, comprised of issued share capital, contributed surplus and deficit, in the definition of capital.

The Issuer's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further exploration on its properties. To secure the additional capital necessary to pursue these plans, the Issuer will attempt to raise additional funds through the issuance of equity, debt or by securing strategic partners.

The Issuer is not subject to externally imposed capital requirements. The Issuer's financial instruments and risk exposures are summarized below.

Currency risk

Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies. The Issuer's functional and presentation currency is the Canadian dollar.

Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Issuer is exposed to credit risk with respect to its cash. The Issuer reduces its credit risk by maintaining its primary bank accounts at large financial institutions.

Liquidity risk

Liquidity risk is the risk that the Issuer will not be able to meet its obligations as they fall due. The Issuer manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at November 30, 2018, the Issuer had a working capital of \$76,964.

The Issuer has liquidity risk and is dependent on raising additional capital to fund exploration and operations.

Fair Value risk

Fair value represents the amounts at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on quoted market values and other valuation methods.

The carrying values of cash, reclamation bonds, bank overdraft and accounts payable and accrued liabilities approximate fair values due to the relatively short-term maturities of these instruments.

FAIR VALUE HIERARCHY

The three levels of the fair value hierarchy are:

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

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

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

The fair values of cash are measured based on level 1 inputs of the fair value hierarchy.

Risks And Uncertainties

The Issuer is engaged in the acquisition and exploration of mining claims. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a

given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Issuer has an interest in a mineral property that produces revenues. The Issuer's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Issuer's accompanying financial statements do not give effect to any adjustments which would be necessary should the Issuer be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the consolidated financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Issuer cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Issuer's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Issuer and other factors.

Outstanding Shares, Stock Options, And Warrants

Common Shares:

Issued and outstanding:	November 30, 2018	3,825,000
Issued and outstanding:	March 31, 2019	3,825,000

Warrants:

Issued and outstanding:	Nil
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Stock Options:

Issued and outstanding:	March 31, 2019	500,000
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Off-Balance Sheet Arrangements

The Issuer has no off-balance sheet arrangements.

Proposed Transactions

The Issuer is anticipating an initial public offering and listing of its Common Shares on the Canadian Securities Exchange in fiscal 2019.

Significant Accounting Policies

Restoration liabilities

The Issuer recognizes the fair value of restoration liabilities related to statutory, contractual or legal obligations associated with the retirement of mining claims in the year in which it is incurred when a reasonable estimate of fair value can be made, in which case the carrying amount of the related mining claim is increased by the same amount as the net present value of the restoration liability. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The Issuer's estimates of such costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures and changes in the net present value.

Acquisition, exploration and evaluation expenditures

The Issuer is in the exploration stage with respect to its investment in exploration properties and follows the practice of capitalizing all costs relating to the acquisition of its interest in properties excluding mining lease agreements. All exploration and development expenditures are expensed in the period incurred. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate acquisition costs related to abandoned mineral properties are charged to income at the time of any abandonment or when it has been determined that there is evidence of permanent impairment.

An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for interest in exploration properties is dependent upon the discovery of economically recoverable reserves, the ability of the Issuer to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Issuer recognizes in income costs recovered on exploration properties when amounts received or receivable are in excess of the carrying amount.

All capitalized acquisition costs of interests in properties are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that the capitalized acquisition cost is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

Share Capital

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

Income/Loss per share

The Issuer presents basic and diluted income/loss per share data for its Common Shares, calculated by dividing the income/loss attributed to common shareholders of the Issuer by the weighted average number

of Common Shares outstanding during the period. Diluted income/loss per share does not adjust the income/loss attributed to the common shareholders or the weighted average number of Common Shares outstanding when the effect is anti-dilutive.

Provisions

A provision is recognized in the statements of financial position when the Issuer has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The Issuer has recorded no provisions at November 30, 2018.

Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the 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 recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: 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 the assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

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. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Issuer intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

Financial assets

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following categories: financial assets ‘at fair value through profit or loss’ (“FVTPL”), ‘held-to-maturity investments’, ‘available-for-sale’ financial assets and ‘loans and receivables’. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets classified as FVTPL are measured at fair value with any resultant gain or loss recognized in profit or loss. Financial assets classified as available-for-sale are measured at fair value with any resultant gain or loss being recognized directly under other comprehensive income.

Investments in equity instruments classified as available-for-sale that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. When available-for-sale financial assets are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in profit or loss. Financial assets classified as loans and receivables and held to maturity, are measured at amortized cost using the effective interest rate method.

Financial liabilities

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities including borrowings are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

De-recognition of financial liabilities:

The Issuer derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

The Issuer's financial instruments are classified as follows:

<u>Financial assets:</u>		<u>Classification:</u>
Cash	-	FVTPL
 <u>Financial liabilities:</u>		 <u>Classification:</u>
Bank overdraft	-	FVTPL
Accounts payable and accrued liabilities	-	Other financial liabilities

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

With the exception of Available-For-Sale ("AFS") financial assets, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of AFS financial assets, impairment losses previously recognized through profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on 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); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Issuer's financial instrument measured at fair value on the statement of financial position consists of cash, which is measured at level 1 of the fair value hierarchy.

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Additionally, future changes in tax laws in the jurisdictions in which the Issuer operates could limit the ability of the Issuer to obtain tax deductions in future periods.

Determination of functional currency

In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, management determined that the functional currency of the Issuer and its subsidiary is the Canadian dollar.

Other significant accounting estimates include the amounts accrued for restoration liabilities.

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Changes in Internal Control over Financial Reporting ("ICFR")

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Management's Responsibility For Financial Statements

The information provided in this MD&A, including the consolidated financial statements, is the responsibility of management. In the preparation of consolidated financial statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the consolidated financial statements.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

As of the date of this Prospectus, 3,825,000 Common Shares were issued and outstanding as fully paid and non-assessable. Holders of Common Shares have full voting rights for the election of directors and for all other purposes whatsoever, have one vote for each Common Share held, and are entitled to be given or to receive notice of and to attend meetings of the shareholders of the Issuer. The holders of the Common Shares shall be entitled to receive, if, as, and when declared by the directors, such dividends as may be declared thereon by the directors from time to time. Holders of Common Shares shall be entitled to receive dividends on the Common Shares exclusive of any other shares of the Issuer. The holders of the Common Shares shall have the right to share rateably, on a parity with the holders of shares of all other classes of common shares, in the remaining assets of the Issuer upon any winding-up of the Issuer.

Subscriptions for the Common Shares will be payable in cash against delivery of the share certificates representing the Common Shares. Subscriptions for Common Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

Warrants

As of the date of this Prospectus, there are no share purchase warrants issued and outstanding.

Agent's Options

The Issuer has agreed to grant to the Agent the Agent's Options entitling the Agent or selling group members to purchase the number of Agent's Option Shares equal to 8% of the Common Shares sold in the Offering, at an exercise price of \$0.10 per Agent's Option Share for a period of twenty-four (24) months following the closing date of the Offering.

This Prospectus qualifies the Offering of the Common Shares and the Agent's Options. See "Plan of Distribution"

Options

The Issuer adopted the Stock Option Plan on January 8, 2019 and issued options for 500,000 shares exercisable at \$0.10 each up to November 30, 2023. It intends to present the stock option plan to the shareholders at its next annual general meeting for continuing approval. See "Options to Purchase Securities".

CONSOLIDATED CAPITALIZATION

The following table sets forth the share and loan capital of the Issuer as at the dates below. The table should be read in conjunction with and is qualified in its entirety by the Issuer's audited financial statements for the fiscal year ended November 30, 2018.

	Authorized Capital	Outstanding as of November 30, 2018	Outstanding as of the date of this Prospectus	Outstanding after giving effect to the Offering⁽¹⁾⁽²⁾
Common Shares	Unlimited	\$110,250 (3,825,000 Common Shares)	\$110,250 (3,825,000 Common Shares)	\$460,250 (7,325,000 Common Shares)
Long-term Debt	N/A	Nil	Nil	Nil

Notes:

- (1) Excluding the Common Shares that may be issued upon exercise of the Agent's Option to be issued pursuant to the Offering.
- (2) Before deducting the Agent's Commission (\$28,000) and the balance of the expenses of the Offering (estimated to be \$72,622.50).

The following table sets out the share capital of the Issuer on a fully diluted basis after giving effect to the Offering:

	Offering	
	Number of Common Shares	Percentage of Common Shares (%)
Common Shares issued and outstanding prior to completion of the Offering ⁽¹⁾	3,825,000	46.62%
Common Shares to be issued pursuant to the Comstock Property Option Agreement	100,000	1.22%
Common Shares issued under the Offering	3,500,000	42.66%
Common Shares reserved for issuance pursuant to the Agent's Option	280,000	3.41%
Common Shares reserved for issuance under the Stock Option Plan	500,000	6.09%
Total:	8,205,000	100%

Note:

- (1) Pursuant to the terms of the Comstock Property Option Agreement, the Issuer, through its Subsidiary, agreed to issue 100,000 Common Shares and pay \$10,000 to the optionor on the date that the Issuer's Common Shares are listed on the CSE. See "Narrative Description of the Business".

Assuming that the Offering is completed hereunder and 3,500,000 Common Shares are purchased pursuant to the Offering, then there will be 7,325,000 Common Shares issued and outstanding and the fully diluted number of Common Shares issued and outstanding will be 8,205,000, which accounts for the issuance of Common Shares pursuant to the Comstock Property Option Agreement (100,000), the Common Shares issuable upon the exercise of the Agent's Option (280,000), and the 500,000 Common Shares issuable upon the exercise of issued and outstanding (500,000) stock options granted under the Stock Option Plan.

OPTIONS TO PURCHASE SECURITIES

On January 8, 2019, the Board of Directors adopted a stock option plan (the “**Stock Option Plan**”) under which Options may be granted to the Issuer's directors, officers, employees and consultants. See “*Executive Compensation.*”

The following is a summary of the material terms of the Stock Option Plan:

- (i) effective on the date the Common Shares are listed and posted for trading on the Canadian Securities Exchange, the maximum number of Options which may be granted to any one holder under the Stock Option Plan within any 12-month period shall be 10% of the number of issued and outstanding Common Shares (unless the Issuer has obtained disinterested shareholder approval if required by applicable laws);
- (ii) if required by applicable laws, disinterested shareholder approval is required to the grant to related persons, within a 12-month period, of a number of Options which, when added to the number of outstanding Options granted to related persons within the previous 12 months, exceed 10% of the issued Common Shares;
- (iii) the expiry date of an Option shall be no later than the tenth anniversary of the grant date of such Option;
- (iv) the maximum number of Options which may be granted to any one consultant within any 12- month period must not exceed 5% of the number of issued and outstanding Common Shares;
- (v) the exercise price of any Option issued under the Stock Option Plan shall not be less than the Market Value (as defined in the Stock Option Plan) of the Common Shares as of the grant date; and
- (vi) the Board, or any committee to whom the Board delegates, may determine the vesting schedule for any Option.

The following table summarizes the allocation of the Options granted by the Issuer up to the date of this Prospectus:

<u>Optione</u>	<u>Number of</u>	<u>Exercise</u>	<u>Expiry</u>
Executive Officers as a group ⁽¹⁾	400,000	\$0.10	November 15, 2023
Directors as a group ⁽²⁾	100,000	\$0.10	November 15, 2023

Consultants as a group ⁽³⁾	N/A	N/A	N/A
Employees as a group	N/A	N/A	N/A
Total:	500,000		

Notes:

- (1) This information applies to two executive officers of the Issuer, both of which are also directors of the Issuer.
- (2) This information applies to a director of the Issuer. Directors who are also executive officers are excluded from this figure.

PRIOR SALES

The Issuer sold the following amount of Common Shares since incorporation and within 12 months of the date of this Prospectus.

- 1) On October 24, 2018, the Issuer issued 1,800,000 Common Shares at a subscription price of \$0.005 for each share for proceeds of \$9,000.
- 2) On November 29, 2018, the Issuer issued 2,025,000 Common Shares at a subscription price of \$0.05 for each share for proceeds of \$101,250.

ESCROWED SECURITIES

In accordance with National Policy 46-201 *Escrow for Initial Public Offerings* (“NP 46-201”), all Common Shares of the Issuer held by a principal of the Issuer prior to the Offering are subject to escrow restrictions. A principal who holds securities carrying less than 1% of the voting rights attached to the Issuer’s outstanding securities immediately after the Offering is not subject to the escrow requirements under NP 46-201. Under the NP 46-201, a “principal” is defined as:

- (a) a person or company who acted as a promoter of the issuer within two years before the IPO prospectus;
- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO prospectus;
- (c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s IPO; or
- (d) a 10% holder – a person or company that (i) holds securities carrying more than 10% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s IPO and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

A principal’s spouse and their relatives that live at the same address as the principal will also be treated as principals and any securities of the Issuer they hold will be subject to escrow requirements.

The following escrowed shares held by principals of the Issuer will be released pro rata to such shareholders as to 10% on the date of final Exchange notice and 15% every six months thereafter over a 36 month period. The escrowed shares are subject to the direction and determination of the Exchange.

Specifically, escrowed shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the Exchange.

Pursuant to an agreement (the “Escrow Agreement”) dated January 21, 2019 among the Issuer, the Escrow Agent and the principals of the Issuer, the principals agreed to deposit in escrow their Common Shares with the Escrow Agent.

As of the date of this Prospectus, the following securities are subject to the Escrow Agreement:

Designation of class	Number of securities held in escrow	Percentage of class after giving effect to the Offering
Common Shares	2,690,000	36.72%

The following sets forth particulars of the escrowed shares that are subject to the Escrow Agreement as of the date of this Prospectus.

Shareholder	Number of securities ⁽¹⁾	Percentage of class at the date of this Prospectus ⁽²⁾	Percentage of class after giving effect to the Offering ⁽³⁾
Howard Milne	600,000	15.69%	8.19%
Shelley Mathiesen	50,000	1.31%	0.68%
Sash Management Ltd. ⁽⁴⁾	2,000,000	52.29%	27.30%
James Place	40,000	1.04%	0.55%
Total	2,690,000	69.02%	36.04%

Notes:

- (1) The Common Shares are held in escrow by the Escrow Agent and will be released in accordance with the following schedule:
- (2) Based on 3,825,000 Common Shares issued and outstanding as at the date of this Prospectus.
- (3) Based on 7,325,000 Common Shares issued and outstanding upon completion of the Offering, excluding the 100,000 Common Shares to be issued pursuant to the Comstock Property Option Agreement and assuming that the Agent’s Options and the 500,000 stock options have not been exercised.
- (4) A private company controlled by Steve Mathiesen.

On the date the issuer’s securities are listed on a Canadian exchange (the listing date)	1/10 of the escrow securities
6 months after the listing date	1/6 of the remaining escrow securities
12 months after the listing date	1/5 of the remaining escrow securities
18 months after the listing date	1/4 of the remaining escrow securities
24 months after the listing date	1/3 of the remaining escrow securities
30 months after the listing date	1/2 of the remaining escrow securities
36 months after the listing date	The remaining escrow securities

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and senior officers of the Issuer as of the date hereof, the following are the only persons that beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Issuer:

Name	Number of Shares Owned, Controlled or Directed	% of Outstanding Shares Prior to Giving Effect to the Offering⁽²⁾	% of Outstanding Shares After Giving Effect to the Offering⁽³⁾
Sash Management Ltd. ⁽¹⁾	2,000,000	52.29%	27.30%
Howard Milne	600,000	15.69%	8.19%

Notes:

- (1) Sash Management Ltd. is a company controlled by Steve Mathiesen.
(2) Percentage is based on 3,825,000 Common Shares issued and outstanding as of the date hereof.
(3) Percentage is based on 7,325,000 Common Shares issued and outstanding upon completion of the Offering, excluding the 100,000 Common Shares to be issued pursuant to the Comstock Property Option Agreement and assuming that the Agent's Options and the 500,000 stock options have not been exercised.

DIRECTORS AND OFFICERS

Name, Address, Occupation, and Security Holding

The following table sets forth particulars regarding the current Directors and Officers of the Issuer:

Name, Position with the Issuer and Province and Country of Residence	Director/Officer Since	Principal Occupation For Past Five Years	Number of Securities and Percentage⁽³⁾ Beneficially Owned or controlled directly or indirectly, as of the date of this Prospectus	Number of Securities and Percentage⁽⁴⁾ Beneficially Owned or controlled directly or indirectly, on completion of the Offering
Howard Milne ^{(1) (2)} <i>President, CEO and Director British Columbia, Canada</i>	October 24, 2018	Principal, HDM Capital Inc., a private management company. Vice President Business Development of Edison Cobalt Corp. since December 2016; formerly President of Edison from November 2014 to January 2017	600,000 Common Shares (15.69%)	600,000 Common Shares (8.19%)
Steve Mathiesen ^{(1) (2) (5)} <i>CFO, Corporate Secretary and Director British Columbia, Canada</i>	October 24, 2018	President of Sash Management Ltd, a private consulting company, since Jan 2012, which provides the services of Mr. Mathiesen as a director, secretary or consultant to primarily private companies, including a mortgage funds group, a software consulting company, a specialized communications company, and a private equity firm; officer to August 2018 and a director to November 2018 of RockBridge Resources Inc.; Director of Lotus Ventures Inc. from November 2014 to March 2019	2,000,000 Common Shares (52.29%)	2,000,000 Common Shares (27.30%)

Name, Position with the Issuer and Province and Country of Residence	Director/Officer Since	Principal Occupation For Past Five Years	Number of Securities and Percentage ⁽³⁾ Beneficially Owned or controlled directly or indirectly, as of the date of this Prospectus	Number of Securities and Percentage ⁽⁴⁾ Beneficially Owned or controlled directly or indirectly, on completion of the Offering
James Place ⁽¹⁾⁽²⁾ <i>Director British Columbia, Canada</i>	October 24, 2018	Professional Geoscientist. Owner/ Consultant, Geomorph Consulting 2001 to present; Director, President and CEO, Highbank Resources Ltd. since April, 2013; Chief Geologist, ECL Environmental Solutions, 2011-2013. President, CEO and a director of Belmont Resources Inc. from February 2018 to present;	40,000 Common Shares (1.04%)	40,000 Common Shares (0.55%)

Notes:

- (1) Member of the Audit Committee. Mr. Place is the Chair of the Audit Committee.
- (2) All of these shares shall be subject to escrow (see “Escrowed Securities”).
- (3) Percentage is based on 3,825,000 Common Shares issued and outstanding as of the date hereof.
- (4) Percentage is based on 7,325,000 Common Shares issued and outstanding after giving effect to the Offering, excluding the 100,000 Common Shares to be issued pursuant to the Comstock Property Option Agreement and assuming that the Agent’s Options and the 500,000 stock options have not been exercised.
- (5) All of these shares are held indirectly by Sash Management Ltd., a private company controlled by Steve Mathiesen.

The terms of the foregoing director and officer appointments shall expire at the next annual shareholders meeting.

The Issuer has one committee, the audit committee (the “Audit Committee”) whose members are Steve Mathiesen, Howard Milne, and James Place. Mr. Place is the Chair of the Audit Committee.

A description of the principal occupation for the past five years and summary of the experience of the directors and officers of the Issuer is as follows:

Howard Milne, age 78, is the President, Chief Executive Officer and a Director of the Issuer.

Howard D. Milne is a strategist in the area of sales and marketing and possesses experience in the development of private and public companies. Mr. Milne has held various corporate roles including CEO and Vice President, as has a background in investor relations acting for various listed companies.

Mr. Milne played a role in the launch of Victory Ventures Inc. (now Edison Cobalt Corp.) on the TSX Venture Exchange and is currently the Vice President of Business Development and Director of Edison Cobalt Corp. listed on the TSX Venture Exchange.

Mr. Milne will be working part-time for the Issuer and anticipates devoting approximately 40% of his working time to the Issuer. Mr. Milne is an independent contractor of the Issuer.

Steve Mathiesen, age 70, is the Chief Financial Officer, Corporate Secretary and a Director of the Issuer.

Steve Mathiesen was a corporate and securities lawyer for more than 30 years and is now a corporate director. Until 2011, he was a partner at the national law firm, McMillan LLP. He is currently on the board of several private companies. He holds the ICD.D designation from the Institute of Corporate Directors and is a non-practicing member of the Law Society of BC.

Mr. Mathiesen will be working part-time for the Issuer and anticipates devoting approximately 30% of his working time to the Issuer. Mr. Mathiesen, through his consulting company Sash Management Ltd., offers his services to the Issuer as an independent contractor.

James Place, age 58, is a Director of the Issuer.

Mr. Place is a professional geoscientist (registered in BC) with more than 30 years of experience in the aggregate, heavy construction, and engineering fields. He has worked on all phases of mineral projects from exploration and permitting through to testing, development, marketing, production and reclamation; primarily in Western North America.

Mr. Place has held positions with public companies (Belmont Resources Inc., Highbank Resources Ltd., and Edison Cobalt Corp.), government, engineering companies, and environmental consulting companies. Included are the BC Ministry of Transportation; Levelton Consultants Ltd. of Richmond, B.C.; Uplands Resources Inc. –Vice President Exploration and Quality Control; and ECL Environment Solutions as Senior Geologist. His experience has centered around rock quarry and gravel pit evaluations, permitting, product specification, and development planning. He has provided professional analysis and recommendations for project development and construction engineering related to civil works and major infrastructure projects throughout north-western and coastal British Columbia.

Mr. Place received a Bachelor of Science degree in Physical Geography from the University of Victoria (B.C.) in 1983. Mr. Place has been a registered professional geoscientist with the Association of Professional Engineers and Geoscientists of British Columbia since 1992.

Mr. Place will be working part-time for the Issuer and anticipates devoting approximately 5% of his working time to the Issuer. Mr. Place is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Issuer.

Aggregate Ownership of Securities

On completion of the Offering, all directors, officers, and promoters of the Issuer, as a group, will directly or indirectly beneficially own 2,690,000 Common Shares, representing approximately 36.72% of the issued and outstanding Common Shares assuming completion of the Offering on an undiluted basis. On completion of the Offering, all directors, officers, and promoters of the Issuer, as a group, will directly or indirectly beneficially own 2,690,000 Common Shares, representing approximately 32.78% of the issued and outstanding Common Shares assuming completion of the Offering on a fully diluted basis.

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, no director, officer, promoter or other member of management of the Issuer has, within the past ten years, been a director, officer or promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

- (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

CMC Metals Ltd., at the time that Steve Mathiesen was a director, was the subject of a cease trade order dated September 3, 2009 pending filing of a technical report and clarifying disclosure. The cease trade order was rescinded on January 15, 2010. Mr. Mathiesen resigned from CMC in June 2012.

Nomad Ventures Inc., at the time that James Place was a director, was subject to a cease trade order from July 5, 2016 to August 16, 2016 for failure to file annual audited financial statements for the year ended February 29, 2016 and management's discussion and analysis for the period ended February 29, 2016. The cease trade order was revoked by the British Columbia Securities Commission on August 16, 2016.

Penalties or Sanctions

No director or executive officer of the Issuer has, within the past ten years, been subject to any penalties or sanctions imposed by a court or by a securities regulatory authority relating to securities legislation or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

No current or proposed director, officer, or promoter of the Issuer has, within the past ten years, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Issuer holding positions as directors or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Issuer. Conflicts, if any, will be subject to the procedures and remedies under the *Business Corporations Act (British Columbia)*.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Issuer does not have a compensation program other than paying consulting fees and incentive bonuses. The compensation of the executive officers is determined by the Board, based in part on recommendations from the Chief Executive Officer. The Board recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility. The objectives of the Issuer's compensation policies and practices are:

- to reward individual contributions in light of the Issuer's performance;
- to be competitive with the companies with whom the Issuer competes for talent;
- to align the interests of the executives with the interests of the shareholders; and
- to attract and retain executives who could help the Issuer achieve its objectives.

During the most recent financial year ended November 30, 2018, neither the Chief Executive Officer nor the Chief Financial Officer was paid any remuneration.

Subsequent to the financial year end, Mr. Milne entered into a consulting agreement with the Issuer dated as of January 8, 2019, through his wholly-owned consulting company, HDM Capital Inc. Pursuant to the agreement, Mr. Milne has agreed to provide his services as Chief Executive Officer and President at a remuneration of \$2,000 per month commencing on the date the Issuer's Common Shares are listed on the Canadian Securities Exchange, with an allowance of \$100 per month to cover all telephone, Internet, computer, and related expenses. Mr. Milne is also entitled to participate in the Issuer's Stock Option Plan and any options granted to Mr. Milne shall have a 90-day tail period in the event Mr. Milne ceases to be engaged by the Issuer. The term of the agreement is one year from the date of execution and thereafter will be on a month-to-month basis, unless earlier terminated. The agreement may be terminated by Mr. Milne at any time, for any reason, on the giving of two months' written notice to the Issuer; by the Issuer, in its absolute discretion, without any notice or pay in lieu thereof, for cause; and by the Issuer in its absolute discretion and for any reason on giving Mr. Milne two months' advance notice in writing or on paying to Mr. Milne the equivalent pay in lieu of notice.

Subsequent to the financial year end, Mr. Mathiesen entered into a consulting agreement with the Issuer dated as of January 8, 2019, through his consulting company Sash Management Ltd. Pursuant to the agreement, Mr. Mathiesen has agreed to provide his services as Chief Financial Officer and Corporate Secretary at a remuneration of \$1,500 per month commencing on the date the Issuer's Common Shares are listed on the Canadian Securities Exchange. Mr. Mathiesen is also entitled to participate in the Issuer's Stock Option Plan and any options granted to Mr. Mathiesen shall have a 90-day tail period in the event Mr. Mathiesen ceases to be engaged by the Issuer. The term of the agreement is one year from the date of execution and thereafter will be on a month-to-month basis, unless earlier terminated. The agreement may be terminated by Mr. Mathiesen at any time, for any reason, on the giving of two months' written notice to the Issuer; by the Issuer, in its absolute discretion, without any notice or pay in lieu thereof, for cause; and by the Issuer in its absolute discretion and for any reason on giving Mr. Mathiesen two months' advance notice in writing or on paying to Mr. Mathiesen the equivalent pay in lieu of notice.

The objectives of consulting fees are to recognize market pay, and acknowledge the competencies and skills of individuals. The rate established for each executive officer is intended to reflect each individual's responsibilities, experience, prior performance and other discretionary factors deemed relevant by any compensation committee that may be formed in future. In deciding on the consulting fee portion of the compensation of the executive officers, major consideration is given to the fact that the Issuer is an early stage exploration company and does not generate any material revenue and must rely exclusively on funds raised from equity financings. In the future, the objectives of incentive bonuses in the form of cash payments will be designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. The objectives of the stock option will be to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Issuer. The Issuer has no other forms of compensation, other than payments made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Issuer, to the best of its ability, at competitive industry rates for work of a similar nature by reputable arm's length service providers. Actual compensation will vary based on the performance of the executives relative to the

achievement of goals and the price of the Issuer's securities, as well as the financial condition of the Issuer.

The Board evaluates individual executive performance with the goal of setting compensation at levels that it believes is comparable with executives in other companies of similar size and stage of development operating in the same industry. In connection with setting appropriate levels of compensation, members of the Board base their decisions on their general business and industry knowledge and experience and publicly available information of comparable companies while also taking into account the Issuer's relative performance and strategic goals. In determining the level of compensation payable to the Issuer's Chief Executive Officer, the Board will consider the following benchmark companies: Mainstream Minerals Ltd. (TSXV: MJO); Gossan Resources Limited (TSXV: GSS); Wildcat Exploration Ltd. (TSXV: WEL); and Bison Gold Exploration Inc. (TSXV: BGE).

In the course of its deliberations, the Board considered the implications of the risks associated with adopting the compensation practices currently in place. The Board does not believe that its current compensation practices create a material risk that the NEOs or any employee would be encouraged to take inappropriate or excessive risks, and no such risks have been detected to date. The Board will continue to include this consideration in its deliberations, and believes that it would detect actions of management and employees of the Issuer that constitute or would lead to inappropriate or excessive risks.

The Issuer does not have a policy that would prohibit the NEOs or directors from purchasing financial instruments that are designed or would have the effect of hedging the value of equity securities granted to, or held by, these individuals.

Option-Based Awards

Once implemented, the incentive stock option portion of the compensation will be intended to provide the executive officers of the Issuer with a long-term incentive in developing the Issuer's business. Options to be granted under the stock option plan will be approved by the Board, and if applicable, its subcommittees, after consideration of the Issuer's overall performance and whether the Issuer has met targets set out by the executive officers in their strategic plan. All previous grants of option-based awards will be taken into account when considering new grants.

Compensation Governance

For the 2018 fiscal year, management had direct involvement in and knowledge of the business goals, strategies, experiences and performance of the Issuer. As a result, management played an important role in the compensation decision-making process. The CEO may also provide a self-assessment of his own individual performance objectives and/or results achieved, if requested by the Board. No such requests were made by the Board during 2018.

Performance Assessment

Rather than strictly applying formulas and weightings to forward-looking performance objectives, which may lead to unintended consequences for compensation purposes, the Board exercises its discretion and uses sound judgment in making compensation determinations. For this reason, the Board does not measure performance using any pre-set formulas in determining compensation awards for NEOs. The Board's assessment of the overall business performance of the Issuer, including corporate performance against both quantitative and qualitative objectives and, where appropriate, relative performance against peers, provides the context for individual executive officer evaluations for all direct compensation awards.

Corporate Performance

In the future, it is the intention that the Board will approve annual corporate objectives in line with the Issuer's key longer-term strategies for growth and value creation. These quantitative and qualitative objectives will then be used by the Board as a reference when making compensation decisions. It is the intention of the Board to review the results achieved by the Issuer and discuss them with management on an annual basis. For the purposes of determining total compensation, the Board will then determine an overall rating for actual corporate performance relative to an expected level of performance.

This overall corporate performance rating will provide general context for the Board's review of individual performance by the NEOs.

Individual Performance

As with the corporate objectives, individual executive officer's performance objectives may include a combination of quantitative and qualitative measures with no pre-determined weightings. During 2018, the Board determined that no compensation should be paid to the NEOs as the financial condition and size of the Issuer did not warrant the payment of cash or share compensation.

Compensation Committee

The Issuer currently does not have a compensation committee in place and the Board intends to approve all compensation decisions in the near future, provided that directors who are also officers are exempt from participating in such compensation discussions. The Issuer may establish a compensation committee in the future to assist the Board in fulfilling its responsibility to shareholders, potential shareholders and the investment community by reviewing and providing recommendations to the Board regarding executive compensation, succession plans for executive officers, and the Issuer's overall compensation and benefits policies, plans and programs.

Compensation Consultant

At no time since the Issuer's most recently completed financial year has the Issuer retained a compensation consultant or advisor to assist the Board in determining compensation for any of the Issuer's directors or executive officers.

Compensation of Named Executive Officers of the Issuer

Summary Compensation Table

During the financial year ended November 30, 2018, the Issuer had two Named Executive Officers (as described in National Instrument 51-102, *Continuous Disclosure Obligations*), namely Howard Milne and Steve Mathiesen, the Chief Executive Officer and Chief Financial Officer of the Issuer, respectively.

The following table sets forth the compensation of the Named Executive Officers for the period indicated:

Name and Principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity Incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
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					Annual incentive plans	Long-term incentive plans			
Howard Milne, President and Chief Executive Officer ⁽¹⁾	November 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Steve Mathiesen, Chief Financial Officer and Corporate Secretary ⁽²⁾	November 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Subsequent to the financial year end, Mr. Milne, through his wholly-owned consulting company HDM Capital Inc., entered into a consulting agreement with the Issuer dated as of January 8, 2019. See “Executive Compensation”.
- (2) Subsequent to the financial year end, Mr. Mathiesen, through his wholly-owned consulting company Sash Management Ltd., entered into a consulting agreement with the Issuer dated as of January 8, 2019. See “Executive Compensation”.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each Named Executive Officer and directors by the Issuer during the period from the Issuer’s incorporation on October 24, 2018 to the date of this Prospectus for services provided or to be provided, directly or indirectly, to the Issuer:

Compensation Securities

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, & percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (CAD\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Howard Milne CEO, President, and director	Options	200,000 (40%)	January 8, 2019	\$0.10	N/A	N/A	November 15, 2023
Steve Mathiesen CFO, Corporate	Options	200,000 (40%)	January 8, 2019	\$0.10	N/A	N/A	November 15, 2023

Secretary, and director							
James Place Director	Options	100,000 (20%)	January 8, 2019	\$0.10	N/A	N/A	November 15, 2023

(1) Percentage is based 500,000 stock options outstanding as of the date hereof.

The following table sets forth information concerning all awards outstanding under incentive plans of the Issuer at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Named Executive Officers:

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or Common Shares of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Howard Milne President and CEO	Nil	Nil	Nil	Nil	Nil	Nil
Steve Mathiesen CFO and Corporate Secretary	Nil	Nil	Nil	Nil	Nil	Nil

Since incorporation on October 24, 2018 to the date of this Prospectus, there has been no exercise of compensation securities of the Issuer issued to Named Executive Officer and directors of the Issuer.

The following table sets forth details of the value vested during the financial year ended November 30, 2018 for each of the Named Executive Officers for option-based awards, share based awards and non equity incentive plan compensation:

Incentive Plan Awards – Value Vested or Earned

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Howard Milne President and CEO	Nil	Nil	Nil
Steve Mathiesen CFO and Corporate Secretary	Nil	Nil	Nil

Pension Plan Benefits

The Issuer does not have a pension plan or provide any benefits following or in connection with retirement.

Termination and Change of Control Benefits

The Issuer does not have any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Issuer or from a change of control of the Issuer or a change in the executive officers' responsibilities following a change in control.

Compensation of Directors

Upon completion of the Offering and listing of the Common Shares on the Canadian Securities Exchange, the Issuer intends to compensate its directors for attending meetings by paying an attendance fee of \$100 per meeting. Other than this fee, the Issuer has no standard arrangement pursuant to which directors are compensated by the Issuer, for their services in their capacity as directors other than the unissued treasury shares that may be issued upon the exercise of the directors' incentive stock options. There has been no other arrangement pursuant to which directors are compensated by the Issuer in their capacity as directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no director, executive officer or employee of the Issuer or their respective associates or affiliates is or has been indebted to the Issuer at any time.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

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

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Issuer has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Issuer's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Issuer at its current stage of development and therefore these guidelines have not been adopted. The Issuer will continue to review and implement corporate governance guidelines as the business of the Issuer progresses and becomes more active in operations. National Instrument 58-101 *Disclosure of Corporate Governance Practices*

mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

1. Board of Directors

The mandate of the Board is to supervise the management of the Issuer and to act in the best interests of the Issuer. The Board acts in accordance with:

- (a) the *Business Corporations Act (British Columbia)*;
- (b) the Issuer's articles of incorporation;
- (c) the Audit Committee Charter; and
- (d) other applicable laws and company policies.

The Board approves all significant decisions that affect the Issuer before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Issuer's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Issuer's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Issuer's internal control and management information systems. The Board also monitors the Issuer's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Issuer's external auditor.

The Board is responsible for choosing the President and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Issuer's major communications, including annual and quarterly reports, financing documents and press releases. The Board approves the Issuer's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its Audit Committee, examines the effectiveness of the Issuer's internal control processes and management information systems. The Board consults with the internal auditor and management of the Issuer to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Issuer's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director. Directors who also act as officers of the Issuer are not considered independent. Directors who do not also act as officers of the Issuer, do not work in the day-to-day operations of the Issuer, are not party to any

material contracts with the Issuer, or receive any fees from the Issuer except as disclosed in this Prospectus, are considered independent. Howard Milne and Steve Mathiesen are not independent directors by virtue of their positions as CEO and CFO of the Issuer, respectively. Jim Place is considered an independent director of the Issuer.

2. Directorships

The directors of the Issuer currently hold directorships in other reporting issuers. The following table sets forth information for each director of the Issuer who is, or within the five years prior to the date of this Prospectus, has been a director or officer of any other reporting issuer:

Name of Director	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position From and To
Howard Milne	Edison Cobalt Corp. (British Columbia)	TSX Venture Exchange	Vice-President and director November 2009 to present
Steve Mathiesen	Rockbridge Resources Inc. (British Columbia)	TSX Venture Exchange	President and CEO from May 2013 to August 2018 Director and Corporate Secretary from November 2007 to November 2018
	Lotus Ventures Inc. (British Columbia)	Canadian Securities Exchange	Director from November 2014 to March 2019
James Place	Belmont Resources Inc. (British Columbia)	TSX Venture Exchange	President, CEO and a director from February 2018 to present
	Highbank Resources Ltd. (British Columbia)	TSX Venture Exchange	President, CEO and a director from 2013 to present
	Edison Cobalt Corp. (British Columbia)	TSX Venture Exchange	Director from 2016 to present
	Bankers Cobalt Corp. (British Columbia)	TSX Venture Exchange	Director from 2014 to 2017

3. Orientation and Continuing Education

The Board of Directors of the Issuer briefs all new directors with the policies of the Board of Directors, and other relevant corporate and business information.

4. Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Issuer's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest

have been sufficient to ensure that the Board operates independently of management and in the best interests of the Issuer.

Under the applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Issuer and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and to disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Issuer or an affiliate of the Issuer, (ii) is for indemnity or insurance for the benefit of the director in connection with the Issuer, or (iii) is with an affiliate of the Issuer. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Issuer at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Issuer for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Issuer and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

5. Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

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

6. Compensation

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders.

The Board decides the compensation of the Issuer's officers, based on industry standards and the Issuer's financial situation.

7. Other Board Committees

The Board has no committees other than the Audit Committee.

8. Assessments

The Board monitors the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees.

Audit Committee

The charter of the Audit Committee is set out below:

LODGE RESOURCES INC.

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (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 committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee members as well as the Company'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 Company. 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 Company.

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 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 time that the audit committee may determine. The audit committee shall meet at least annually with the Company'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 Company;
- (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 Company. 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 Company; 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

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (h) 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 Company or any subsidiary of the Company 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-Minim is Non-Audit Services

- (b) 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 Company 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

- (c) 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 Company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the Company 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 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 fulfillment 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 ;
- (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 Company' s adoption of them .

Annual Financial Statements

- (d) 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 Company reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (t) 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;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information ;
- (i) meet with management and the auditors, either telephonically or in person, to review the interim financial statements ; and
- (k) 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 financial statements are consistent with changes in the Company' 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 trans actions;
 - (vi) the Company's financial and operating controls are functioning effectively;

- (vii) the Company 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.

6.2 *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.

6.3 *Other Responsibilities*

Review with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.

Composition of the Audit Committee

The members of the Audit Committee are Steve Mathiesen, Howard Milne and James Place. James Place is independent as that term is defined in National Instrument 52-110 Audit Committees ("NI 52-110"). All members of the Audit Committee are "financially literate" as that term is defined in NI 52-110.

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

Relevant Education and Experience

All of the members of the Audit Committee have gained their education and experience by participating in the management of private and publicly traded companies and all members are "financially literate" as defined in NI 52-110, meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer's financial statements.

Audit Committee Oversight

At no time since inception was a recommendation of the Audit Committee made to nominate or compensate an external auditor not adopted by the board of directors.

Reliance on Certain Exemptions

At no time since inception has the Issuer relied on the exemption in Section 2.4 of NI 52-110 (de minimis non-audit services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval of Policies and Procedures

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

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by DMCL, Chartered Professional Accountants, of Vancouver, British Columbia, to the Issuer to ensure auditor independence. Fees billed by DMCL Chartered Professional Accountants for audit and non-audit services for the fiscal year ended November 30, 2018 are outlined in the following table.

Nature of Services	Fees Billed By Auditor in Fiscal Year Ended November 30, 2018
Audit Fees ⁽¹⁾	\$8,000
Audit-Related Fees ⁽²⁾	-
Tax Fees ⁽³⁾	-
All Other Fees ⁽⁴⁾	-
Total	\$8,000

Notes:

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

Exemption

The Issuer 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.

PLAN OF DISTRIBUTION**The Offering**

The Offering consists of 3,500,000 Common Shares for gross proceeds of \$350,000, at a price of \$0.10 per Common Share. The price to the public was determined by arm's length negotiation between the Issuer and the Agent in accordance with the policies of the Exchange. The distribution of the Common Shares is qualified by this Prospectus and any Common Shares issued pursuant to the Offering shall be free of resale restrictions apart from any imposed by the Exchange or pursuant to the Escrow Agreement.

Appointment of Agent

The Issuer, pursuant to the terms of the Agency Agreement, has appointed PI Financial Corp. (previously defined as the “Agent”), as its exclusive agent to offer the Common Shares under the Offering on a commercially reasonable efforts basis. The Agent is not a related or connected party to the Issuer as defined in the *Securities Act* (British Columbia) and the Rules made thereunder. The Agent is not obligated to purchase Common Shares in connection with this Offering.

All funds received will be held by the Agent in trust pursuant to the Agency Agreement. If the Offering is not raised within 90 days of the date of issue of the receipt for the final prospectus, or within 90 days of the date of issue of receipt for an amendment to the final prospectus and in any event not later than 180 days from the date of the receipt for the final prospectus, all subscription monies will be retained by the Agent and returned to the purchasers, or any party designated by such purchasers, without interest or deduction.

Agent’s Compensation

For acting as agent on the Offering, the Agent will receive a cash commission of 8% of the gross proceeds received from the Common Shares sold. In consideration for the services rendered by the Agent, the Issuer has agreed to pay to the Agent a corporate finance fee of \$22,500, plus G.S.T. of \$1,125, for a total of \$23,625. A non-refundable deposit of 50% of the corporate finance fee in the amount of \$11,250 plus G.S.T. of \$562.50 has been paid to the Agent. The balance shall be payable to the Agent upon closing of the Offering.

The obligations of the Agent under the Agency Agreement may be terminated prior to the completion of the Offering at the Agent's discretion on the basis of its assessment of the state of the financial markets and at any time upon the occurrence of certain stated events and upon other conditions set out in the Agency Agreement.

Subject to completion of the Offering, the Issuer has agreed that the Agent will have a right of first refusal to act as the Issuer’s fiscal agent for any brokered financing for 12 months following the completion of the Offering.

The Issuer has agreed to pay all expenses, fees and disbursements of the Agent, including the Agent’s legal counsel fees and disbursements, and other agents’ fees and expenses pursuant to the Offering. There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or other person or company in connection with the Offering other than as disclosed herein.

The Issuer anticipates completing the Offering within 90 days after the issuance of the receipt for the final prospectus or the date of issue of receipt of an amendment to the final prospectus, if consent is obtained from the subscribers and an amendment to the final prospectus is filed. Until such time as the Offering has closed, all subscription funds received by the Agent will be held by the Agent in trust for the subscribers.

Agent’s Option

In consideration of the services rendered by the Agent in connection with the qualification, distribution and sale of the Common Shares, the Issuer will grant to the Agent the Agent’s Options to acquire the number of Agent’s Option Shares equal to 8% of the Common Shares sold under the Offering, at an exercise price of \$0.10 per Agent’s Option Share for 24 months following the date on which the Common

Shares of the Issuer are listed on the Exchange. Each Agent's Option is exercisable into one Agent's Option Share.

The Agent's Options will contain, among other things, provisions for appropriate adjustment of the class, number and price of Agent's Option Shares issuable pursuant to any exercise thereof upon the occurrence of certain events including any subdivision, consolidation or reclassification of the Issuer's Common Shares, the payment of stock dividends or the amalgamation of the Issuer.

Listing

The Issuer has applied to list its Common Shares distributed under this Prospectus on the Exchange. Listing will be subject to the Issuer fulfilling all of the listing requirements of the Exchange. Confirmation of listing of the securities on the Exchange is a condition of Closing.

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

RISK FACTORS

The Common Shares should be considered highly speculative due to the nature of the Issuer's business and the present stage of its development. In evaluating the Issuer and its business, investors should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Issuer or in connection with the Issuer's operations. There may be other risks and uncertainties that are not known to the Issuer or that the Issuer currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Common Shares could decline substantially, and investors may lose all or part of the value of the Common Shares held by them.

An investment in securities of the Issuer should only be made by persons who can afford a significant or total loss of their investment. There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus.

The possible sale of Common Shares released from escrow on each release date could negatively affect the market price of the Common Shares and also result in an excess of sellers of Common Shares to buyers of Common Shares and seriously affect the liquidity of the Common Shares. See "Escrowed Securities".

1. No Ongoing Operations and No Production History

The Issuer is a mineral exploration company and has no operations or revenue.

2. Requirement to Maintain Obligations Under the Comstock Property Option Agreement

Pursuant to the Comstock Property Option Agreement, the Issuer is required to pay all taxes assessed against any personal property which it may place on the Claims and must pay any taxes or increase in taxes assessed against the Claims due to its operations thereon. Pursuant to the Comstock Property

Option Agreement, the Issuer is required to seek and maintain, at its own cost and expense, all permits, governmental or other, needed to conduct its operations on the Property.

3. Aboriginal Title

Uncertainties about the resolution of aboriginal rights in British Columbia may affect the Issuer. On June 26, 2014, the Supreme Court of Canada (the “SCC”) released a decision in *Tsilhqot’in Nation v. British Columbia* (the “William Decision”), pursuant to which the SCC upheld the First Nations’ claim to Aboriginal title and rights over a large area of land in central British Columbia, including rights to decide how the land will be used, occupancy and economic benefits. The court ruling held that while the provincial government had the constitutional authority to regulate certain activity on aboriginal title lands, it had not adequately consulted with the Tsilhqot’in. The SCC also held that provincial laws of general application apply to land held under Aboriginal title if the laws are not unreasonable, impose no undue hardship, and do not deny the Aboriginal title holders their preferred means of exercising their rights. The Issuer currently does not hold any properties in the area involved in the William Decision. The Issuer will continue to manage its operations within the existing legal framework while paying close attention to the direction provided by the Courts regarding the application of this ruling.

4. Absence of Prior Public Market

There has been no prior public market for the Common Shares, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their Common Shares at the time they wish to sell them or at a price that they consider reasonable. The lack of an active market may also reduce the fair market value and increase the volatility of the Common Shares. An inactive market may also impair the Issuer’s ability to raise capital by selling Common Shares and to acquire other exploration properties or interests by using its Common Shares as consideration.

5. Volatility of Share Prices

Share prices are subject to changes because of numerous factors beyond the Issuer’s control, including reports of new information, changes in its financial situation, the sale of its Common Shares in the market, its failure to achieve financial results in line with the expectations of analysts, or announcements by the Issuer or any of its competitors concerning results. There is no guarantee that the market price of the Common Shares will be protected from any such fluctuations in the future.

In the past, companies have experienced volatility in their share value and have been the subject of securities class action litigation. The Issuer might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management’s attention and resources and could have a negative effect on the Issuer’s business and results of operation.

6. Limited Operating History

The Issuer has no history of earnings. There are no known commercial quantities of mineral reserves on the Issuer’s Property. There is no assurance that the Issuer will ever discover any economic quantities of mineral reserves.

7. Requirement For Further Financing

The Issuer has limited financial resources and may need to raise additional funds to carry out exploration of its Property. There is no assurance the Issuer will be able to raise additional funds or will be able to raise additional funds on terms acceptable to the Issuer. If the Issuer's exploration programs are

successful and favourable exploration results are obtained, the Property may be developed into commercial production. The Issuer will require additional funds to place the Property into production. The only sources of future funds presently available to the Issuer are the sale of equity capital, debt, or offering of interests in its Property to be earned by another party or parties by carrying out development work. There is no assurance that any such funds will be available to the Issuer or be available on terms acceptable to the Issuer. If funds are available, there is no assurance that such funds will be sufficient to bring the Property to commercial production. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Issuer, and could cause the Issuer to forfeit its interest in its Property and reduce or terminate its operations.

8. Exploration

At present, there are no bodies of ore, known or inferred, on the Property and there are no known bodies of commercially recoverable ore on the Property. There is no assurance that the Issuer's mineral exploration activities will result in any discoveries of commercial bodies of ore on the Property.

9. Development

The business of exploration for precious metals involves a high degree of risk. Few exploration properties are ultimately developed into producing properties. The Issuer's Property is at the exploration stage.

10. Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Issuer has investigated its title to the Property for which it holds an option to acquire concessions or other mineral leases or licenses and the Issuer is satisfied with its review of the title to the Property, the Issuer cannot give an assurance that title to the Property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law often are complex. The Issuer does not carry title insurance on the Property. A successful claim that the Issuer does not have title could cause the Issuer to lose its rights to the Property, perhaps without compensation for its prior expenditures relating to the Property.

The Property may now or in the future be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Issuer's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Issuer's activities. Even in the absence of such recognition, the Issuer may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the Property.

Because the Issuer's interest in the Property is by way of the Comstock Property Option Agreement, which enables it to option the Property and grants it exclusive rights to mine and otherwise utilize and dispose of, or to allow others to mine and otherwise utilize and dispose of, on an exclusive basis, all minerals, mineral substances, mineral rights and estates of every kind and character on the Property, the Issuer does not own the Property, if the Issuer fails to issue shares and make payments in accordance with the Comstock Property Option Agreement, it will lose its mining rights, and the Issuer is dependent on the Owner to perform its obligations under the Comstock Property Option Agreement, and if the Owner fails to perform its obligations thereunder the Issuer's interest in the Property may be lost. There is no

guarantee the Issuer will be able to raise sufficient funding in the future to carry out the recommended work program on the Property.

11. Management

The success of the Issuer is largely dependent upon the performance of its management. The loss of the services of these persons may have a material adverse effect on the Issuer's business and prospects. There is no assurance that the Issuer can maintain the service of its management or other qualified personnel required to operate its business.

12. Requirement for Permits and Licenses

The Issuer will be applying for all necessary licenses and permits under applicable laws and regulations to carry on the exploration activities which it is currently planning in respect of the Property, and the Issuer believes it will comply in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to changes in regulations and in various operational circumstances. A substantial number of additional permits and licenses will be required should the Issuer proceed beyond exploration. There can be no guarantee that the Issuer will be able to obtain such licenses and permits.

13. Environmental Risks and other Regulatory Requirements

The current or future operations of the Issuer, including the exploration activities and commencement of production on the Property, will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which the Issuer may require for its facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have a material adverse effect on any exploration and development project which the Issuer might undertake.

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

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

14. Uninsurable Risks

Exploration of mineral properties involves numerous risks, including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs

and a decline in the value of the securities of the Issuer. The Issuer does not maintain insurance against environmental risks.

15. Competition

Significant and increasing competition exists for mineral opportunities in the Province of British Columbia. There are a number of large established mineral exploration companies with substantial capabilities and greater financial and technical resources than the Issuer. The Issuer may be unable to acquire additional mineral properties or acquire such properties on terms it considers acceptable. Accordingly, there can be no assurance that the Issuer's exploration programs will yield any reserves or result in any commercial mineral operations.

16. Conflicts of Interest

Directors of the Issuer may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource development. As a result, there may be situations that involve a conflict of interest for such directors. Each director will attempt not only to avoid dealing with such other companies in situations where conflicts might arise but will also disclose all such conflicts in accordance with the *British Columbia Business Corporations Act* and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

17. Litigation

The Issuer and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. The Issuer does not know of any such pending or actual material legal proceedings as of the date of this Prospectus.

18. No Cash Dividends Are Expected to be Paid in the Foreseeable Future

The Issuer has not declared any cash dividends to date. The Issuer intends to retain any future earnings to finance its business operations and any future growth. Therefore, the Issuer does not anticipate declaring any cash dividends in the foreseeable future.

19. Ore Reserves and Reserve Estimates

The Issuer's business relies upon the ability to determine whether a given property has commercial quantities of recoverable minerals. No assurance can be given that any discovered mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may require revision (either up or down) based on actual production experience.

20. Dilution in Book Value of Investment

After the issuance of the securities offered by this Prospectus and prior to the exercise of any outstanding share purchase options, the Issuer will have a net tangible book value per common share of \$0.092, assuming completion of the Offering. Accordingly, purchasers of the securities offered under this Prospectus will experience an immediate and substantial dilution of \$0.029 per Share (28.82%) in the net tangible book value of their investment assuming completion of the Offering.

ELIGIBILITY FOR INVESTMENT

In the opinion of Buttonwood Law Corporation, counsel for the Issuer, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the “Tax Act”) in force on the date hereof, the Common Shares issued pursuant to the Offering, if issued on the date hereof, would be “qualified investments” under the Tax Act for trusts governed by a registered retirement savings plan (“RRSP”), registered retirement income funds (“RRIF”), registered education savings plan (“RESP”), registered disability savings plan (“RDSP”), deferred profit sharing plan and tax-free savings account (“TFSA”), each as defined in the Tax Act (collectively, “Deferred Plans”), provided that the Common Shares are listed on a “designated stock exchange” for purposes of the Tax Act or the Issuer is otherwise a “public corporation” as defined in the Tax Act.

The Common Shares are not currently listed on a “designated stock exchange” and the Issuer is not currently a “public corporation” as that term is defined in the Tax Act. The Issuer has applied to list the Common Shares on the Exchange as of the day before Closing and the Common Shares shall commence trading on Closing of the Offering. The Issuer must rely on the Exchange to list the Common Shares on the Exchange and have them posted for trading prior to the issuance of the Common Shares on Closing, and to otherwise proceed in such manner as may be required to result in the Common Shares being listed on the Exchange at the time of their issuance on Closing. If the Common Shares are not listed on the Exchange at the time of their issuance and the Issuer is not a “public corporation” for the purposes of the Tax Act at that time, the Common Shares will not be qualified investments for the Deferred Plans at that time.

Notwithstanding the foregoing, the holder of a TFSA or RDSP, the annuitant under a RRSP or RRIF, or the subscriber under a RESP, as applicable, will be subject to a penalty tax under the Tax Act if the Common Shares are a “prohibited investment” for purposes of the Tax Act for the TFSA, RDSP, RRSP, RRIF or RESP. The Common Shares will generally be a “prohibited investment” for a particular TFSA, RDSP, RRSP, RRIF or RESP if the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF, or the subscriber of the RESP, as applicable, (i) does not deal at arm’s length with the Issuer for the purposes of the Tax Act or (ii) has a “significant interest”, as defined in the Tax Act, in the Issuer. Generally, a holder, annuitant or subscriber, as applicable, will not have a “significant interest” in the Issuer unless the holder, annuitant or subscriber, together with persons with whom the holder, annuitant or subscriber does not deal at arm’s length, does not own, directly or indirectly, 10% or more of the issued shares of any class of the capital stock of the Issuer or of a corporation related to the Issuer (for purposes of the Tax Act). In addition, the Common Shares will generally not be a “prohibited investment” if the Common Shares are “excluded property” as defined in the Tax Act for a TFSA, RDSP, RRSP, RRIF or RESP.

Purchasers who intend to hold Common Shares in a Deferred Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

PROMOTERS

Howard Milne and Steve Mathiesen are considered to be promoters of the Issuer in that they took the initiative in founding and organizing the Issuer. Mr. Milne beneficially owns, or controls or directs, indirectly or directly, 600,000 Common Shares, representing 15.69% of the issued and outstanding Common Shares of the Issuer. Mr. Mathiesen beneficially owns, or controls or directs, indirectly or directly, 2,050,000 Common Shares, representing 53.59% of the issued and outstanding Common Shares of the Issuer. See also “Principal Shareholders” and “Directors and Officers”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no material pending legal proceedings or regulatory actions to which the Issuer is or is likely to be a party or of which any of its properties are or are likely to be the subject.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No Insider, director or executive officer of the Issuer and no associate or affiliate of any director, executive officer or Insider has any material interest, direct or indirect, in any transaction within the three years before the date of the Prospectus that has materially affected or is reasonably expected to materially affect the Issuer or the Subsidiary. See “Executive Compensation”.

RELATIONSHIP BETWEEN ISSUER AND AGENT

The Issuer is not a related issuer or connected issuer of the Agent, as those terms are defined in National Instrument 33-105 “Underwriting Conflicts”.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The Issuer's auditor is DMCL, Chartered Professional Accountants, of 1500 - 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1.

Transfer Agent and Registrar

The Registrar and Transfer Agent for the Issuer is Odyssey Trust Company of Suite 323, 409 Granville Street, Vancouver, British Columbia, V6C 1T8.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only material contracts which the Issuer has entered into in the two years prior to the date of the Prospectus are the following:

1. Comstock Property Option Agreement between the Issuer's Subsidiary and Ken Ellerbeck dated October 30, 2018, granting the Issuer's Subsidiary an option to acquire a 100% interest in the Property, subject to a production royalty of 2% of net smelter returns.
2. Engagement letter between PI Financial Corp. and the Issuer dated December 5, 2018.
3. Agency Agreement between the Agent and the Issuer dated for reference May 24, 2019.
4. Transfer Agency Agreement dated December 12, 2018 between the Issuer and the Odyssey Trust Company.
5. NI 46-201 Escrow Agreement dated January 21, 2019 between the Issuer, the principals of the Issuer and the Odyssey Trust Company.
6. Canadian Securities Exchange Listing Agreement executed by the Issuer on May 24, 2019.

Inspection of Material Contracts and Reports

Copies of all the material contracts and reports referred to in this Prospectus may be inspected at the registered office of the Issuer at Suite 1510, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2, during normal business hours during the distribution of the securities offered hereunder, and for a period of 30 days thereafter, as well as on the SEDAR website at www.sedar.com upon the Effective Date of this Prospectus.

EXPERTS

The following person and company have prepared or certified a report, valuation, statement or opinion in this Prospectus:

1. Laurence Sookochoff, PEng., was retained by the Issuer to prepare the Technical Report on the Property and is a “qualified person” as defined in National Instrument 43-101;
2. The Issuer's auditor, DMCL, Chartered Professional Accountants, has prepared the audit report accompanying the financial statements attached to this Prospectus; and
3. The matters referred to under “Eligibility for Investment” and certain other legal matters relating to the securities offered hereby will be passed upon by Buttonwood Law Corporation, on behalf of the Issuer. As at the date hereof, the aforementioned Person beneficially owns, directly or indirectly, no securities of the Issuer or its Associates and Affiliates.

No person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a part of this Prospectus, or prepared or certified a report or valuation described or included in this Prospectus, has received or shall receive or holds a direct or indirect interest in any securities or property of the Issuer or any associates or affiliates of the Issuer. The auditor is independent in accordance with the auditor's rules of professional conduct in the Province of British Columbia.

OTHER MATERIAL FACTS

Except as otherwise mentioned in this Prospectus, there are no material facts about the securities being distributed pursuant to the Offering that are not disclosed under any other items and are necessary in order for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the Provinces of Alberta, British Columbia, and Ontario provide purchasers with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. In the Provinces of Alberta, British Columbia, and Ontario securities legislation further provides a purchaser with remedies of rescission or damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of Alberta, British Columbia, and Ontario. The purchaser should refer to any applicable provisions of the securities legislation of Alberta, British Columbia, and Ontario for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

The following financial statements are attached to this Prospectus:

1. Audited financial statements of the Issuer for the period from incorporation on October 24, 2018 to November 30, 2018.
2. Unaudited financial statements of the Issuer for the six months ended May 31, 2019.

LODGE RESOURCES INC.

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO
NOVEMBER 30, 2018



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of Lodge Resources Inc.

We have audited the accompanying consolidated financial statements of Lodge Resources Inc., which comprise the consolidated statement of financial position as at November 30, 2018, the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from incorporation on October 24, 2018 to November 30, 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Lodge Resources Inc. as at November 30, 2018, and its consolidated financial performance and its consolidated cash flows for the period from incorporation on October 24, 2018 to November 30, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter

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

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
May 23, 2019

LODGE RESOURCES INC.
Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)

As at	Notes	November 30, 2018
ASSETS		
Current		
Cash		\$ 93,097
Prepaid expenses		5,313
		98,410
Non-current assets		
Exploration and Evaluation Assets	3	5,000
Total assets		\$ 103,410
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accrued liabilities		\$ 21,446
Total liabilities		21,446
Shareholders' equity		
Share capital	5	110,250
Deficit		(28,286)
Total shareholders' equity		81,964
Total liabilities and shareholders' equity		\$ 103,410

Subsequent events (Notes 5 and 9)

These financial statements were approved by the Board of Directors on May 23, 2019:

"Steve Mathiesen"
Steve Mathiesen, Director

"Howard Milne"
Howard Milne, Director

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

LODGE RESOURCES INC.

Consolidated Statement of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	For the period from incorporation on October 24, 2018 to November 30, 2018	
EXPENSES		
Bank charges and interest	\$	70
Operating, general and administrative		1,760
Professional fees		22,781
Regulatory and filing fees		3,675
Net loss and comprehensive loss	\$	28,286
Loss per share – basic and diluted	\$	(0.15)
Weighted average number of common shares outstanding		182,466

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

LODGE RESOURCES INC.

Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Deficit	Total Equity
Balance, October 24, 2018 (date of incorporation)	-	\$ -	\$ -	\$ -
Issuance of common shares (note 5)	3,825,000	110,250	-	110,250
Net and comprehensive loss	-	-	(28,286)	(28,286)
Balance, November 30, 2018	3,825,000	\$ 110,250	\$ (28,286)	\$ 81,964

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

LODGE RESOURCES INC.
Consolidated Statement of Cash Flows
(Expressed in Canadian Dollars)

	For the period from incorporation on October 24, 2018 to November 30, 2018
Cash flows used in operating activities:	
Net and comprehensive loss	\$ (28,286)
Changes in non-cash working capital items:	
Prepaid expenses	(5,313)
Accrued liabilities	21,446
Net cash used in operating activities	(12,153)
Financing activities	
Net proceeds from issuance of shares	110,250
Net cash provided by financing activities	110,250
Investing activities	
Exploration and evaluation assets	(5,000)
Net cash provided by financing activities	(5,000)
Increase in cash	93,097
Cash, beginning	-
Cash, ending	\$ 93,097

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

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Lodge Resources Inc. (the "Company") was incorporated in the Province of British Columbia on October 24, 2018, under the Business Corporations Act of British Columbia. The Company is in the business of exploration of mineral properties. The Company's registered office is Suite 1510 - 789 West Pender Street, Vancouver BC V6C 1H2 and its business office is located at 3730 Southridge Ave., West Vancouver, BC V7V 3H8.

These 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. As at November 30, 2018, the Company is not able to finance day to day activities through operations and has an accumulated deficit of \$28,286. The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with loans from directors and companies controlled by directors and/or issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

2. SUMMARY SIGNIFICANT ACCOUNTING

Basis of preparation

Statement of compliance

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

The financial statements were authorized for issued by the board of directors of the Company on May 23, 2019.

Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The consolidated financial statements are presented in Canadian dollars, unless otherwise noted.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of exploration and evaluation assets, fair value measurements for financial instruments, and the recoverability and measurement of deferred tax liability.

Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Lodge Minerals Inc., which is incorporated in BC. The results of any subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant judgements

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

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

Cash and cash equivalents

Cash is comprised of cash on hand, cash held in trust accounts and demand deposits. Cash equivalents are short-term, highly liquid investments with maturities within three months when acquired. The Company did not have any cash equivalents as of November 30, 2018.

Financial instruments

Financial instruments are accounted for in accordance with IFRS 9, "Financial Instruments: Classification and Measurement".

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

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

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

Impairment of financial assets

IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

Impairment

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

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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

Financial liabilities

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

Exploration and evaluation assets

Costs incurred prior to obtaining the legal rights to explore a property are recognized as an expense in the period in which they are incurred.

Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. Option payments are considered acquisition costs provided that the Company has the intention of exercising the underlying option.

Property option agreements are exercisable entirely at the option of the optionee. Therefore, option payments (or recoveries) are recorded when payment is made (or received) and are not accrued.

Exploration and evaluation expenditures are capitalized. The Company capitalizes costs to specific blocks of claims or areas of geological interest. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the Company stops capitalizing expenditures for the applicable block of claims or geological area of interest and tests the asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the restoration 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 Company's estimates of restoration 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 asset with a corresponding entry to the restoration 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 restoration costs, are charged to the statement of comprehensive loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to the statement of comprehensive loss in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

Foreign currency translation

The functional currency of the Company is determined using the currency of the primary economic environment in which the Company operates. The functional and presentation currency, as determined by management, of the Company and its subsidiary is the Canadian dollar.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in the statement of comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss

Loss per share

Basic loss per share is calculated by dividing the statement of loss and comprehensive loss by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the statement of loss and comprehensive loss and the weighted average number of common shares outstanding for the effects of dilutive instruments such as options granted to employees and warrants outstanding. The weighted average number of diluted shares is calculated in accordance with the treasury stock method. The treasury stock method assumes that the proceeds received from the exercise of all potentially dilutive instruments are used to repurchase common shares at the average market price during the period.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss, except to the extent that it relates to items recognized in other comprehensive loss or directly in equity. In this case the income tax is also recognized in other comprehensive loss or directly in equity, respectively.

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that future taxable income will be available to allow all or part of the temporary differences to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted and are expected to apply by the end of the reporting period. Deferred tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Impairment

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss. The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Accounting Standards and Interpretations Issued but Not Yet Adopted

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New standard IFRS 16 “Leases”

This new standard replaces IAS 17 “Leases” and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15.

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

3. EXPLORATION AND EVALUATION ASSETS

The Company's wholly owned subsidiary, Lodge Minerals Inc., entered into an Option Agreement (“Option”) dated October 31, 2018, with an arms-length party to acquire 100% of mineral claims located in British Columbia, known as the Comstock Property. Pursuant to the Option, the Company, on and after the date (“Listing Date”) that its common share are listed for trading on the Canadian Securities Exchange (“Exchange”), shall issue common shares and make payments and expenditures as follows:

Date	Number of Shares	Cash Payments	Expenditures
Paid on signing Option Agreement	-	\$ 5,000 (paid)	\$ -
Listing Date	100,000	10,000	-
June 21, 2019	-	-	25,000
1st Anniversary of Listing Date	100,000	-	75,000
2nd Anniversary of Listing Date	100,000	20,000	100,000
3rd Anniversary of Listing Date	100,000	30,000	100,000
4th Anniversary of Listing Date	200,000	250,000	300,000
TOTAL	600,000	\$ 315,000	\$ 600,000

The optionor has retained a 2% net smelter return royalty and the Company may acquire 1% of the NSR by paying a one-time sum of \$1,000,000 at any time prior to the commencement of commercial production on the property.

4. RELATED PARTY TRANSACTIONS

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. There was no remuneration of directors and key management personnel for the period ended November 30, 2018.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

5. SHARE CAPITAL

Authorized share capital

Unlimited number of Common shares without par value

Common Shares

On October 24, 2018, the Company issued 1,800,000 Common shares at \$0.005 per share to a director and a company controlled by a director for gross proceeds of \$9,000.

On November 29, 2018, the Company issued 2,025,000 Common shares at \$0.05 per share for gross cash proceeds of \$101,250, of which 840,000 were issued to directors and a company controlled by a director.

On January 21, 2019, the Company executed an escrow agreement (the “Escrow Agreement”), whereby all common shares issued to related parties are subject to escrow requirements. Pursuant to the Escrow Agreement, the shares will be released pro rata to such shareholders as to 10% on the date of final Exchange (defined below) notice and 15% every six months thereafter over a 36 month period. The escrowed shares are subject to the direction and determination of the Exchange. Specifically, escrowed shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the Exchange.

Initial public offering

On December 5, 2018, the Company entered into a non-binding engagement agreement (the “Agreement”) with PI Financial Corp. (“PI Financial”) where PI Financial will act as agent to offer the Company’s common shares in an initial public offering (the “IPO”) at a price of \$0.10 per common share to raise \$350,000.

Under the terms of the Agreement, the Company agreed to pay a cash commission of 8% of the gross proceeds from the IPO and \$23,625 in corporate finance fees, legal fees, and other expenses to PI Financial. In addition, the Company promises to grant a non-transferable option (the “Agent’s Options”) to purchase up to 280,000 common shares (the “Agent’s Shares”) equal to 8% of the securities sold in the IPO at an exercise price of \$0.10 per Agent’s Share, expiring 24 months from the date of listing on the Canadian Securities Exchange (the “Exchange”).

Stock options and warrants

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with Exchange policies, grant to directors, officers and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the common shares issued and outstanding from time to time. Such options are non-transferable and are exercisable at a price per share not below the closing traded price on the day before the date of grant for a period of up to ten years from the date of grant.

The Company has not granted any stock options, stock warrants or other dilutive instruments as at November 30, 2018.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

6. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue its operations and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company considers its capital for this purpose to be its shareholders' equity.

The Company's primary source of capital is through the issuance of equity. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long term, but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital.

7. FINANCIAL INSTRUMENTS

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, and currency risk and price risk. The carrying value of the Company's financial instruments approximates their fair value due to their short- term nature.

- a) Interest rate risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not opposed to interest rate risk as it has no instruments bearing interest.
- b) Credit risk: Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company's cash is held with a major Canadian based financial institution.
- c) Liquidity risk: Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company addresses its liquidity through equity financing obtained through the sale of common shares. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.
- d) Currency risk: Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange.

The carrying value of Company's financial assets and liabilities as at November 30, 2018 approximate their fair value due.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON OCTOBER 24, 2018 TO NOVEMBER 30, 2018

(Expressed in Canadian dollars)

8. INCOME TAXES

A reconciliation of the Company's expected income tax recovery to actual income tax recovery is as follows:

	For the period from incorporation on October 24, 2018 to November 30, 2018
Loss before income taxes	\$ (28,286)
Statutory income tax rates	27%
Computed income tax recovery	(7,637)
Net change in valuation allowance	7,637
Income tax recovery	\$ -

The Company has non-capital losses of approximately \$28,000 which may be carried forward to reduce taxable income in future years. The non-capital losses expire in 2038.

The conditions required under IFRS, to recognize net potential deferred tax assets based on the establishment of likely recovery through future profitability have not been met. Accordingly, a 100% valuation allowance has been provided.

9. SUBSEQUENT EVENT

On January 8, 2019, the Company granted options for 500,000 shares to directors and officers of the Company, exercisable at \$0.10 per share, expiring November 15, 2023.

LODGE RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian dollars - Unaudited)

For The Six Months Ended May 31, 2019

LODGE RESOURCES INC.

Condensed Consolidated Interim Statement of Financial Position

(Expressed in Canadian Dollars)

As at	Note	May 31, 2019	November 30, 2018
		(Unaudited)	
ASSETS			
Current			
Cash		\$ 52,653	\$ 93,097
Other receivable		486	-
Prepaid expenses		20,313	5,313
Total current		73,452	98,410
Prepaid expenses		5,000	-
Exploration and evaluation assets	3	5,000	5,000
Total assets		\$ 83,452	\$ 103,410
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable		\$ 9,611	\$ -
Accrued liabilities		15,946	21,446
Total liabilities		25,557	21,446
Shareholders' equity			
Share capital	5	110,250	110,250
Reserve	5	16,047	-
Deficit		(68,402)	(28,286)
Total shareholders' equity		57,895	81,964
Total liabilities and shareholders' equity		\$ 83,452	\$ 103,410

These financial statements were approved by the Board of Directors on August 7, 2019:*"Steve Mathiesen"**Steve Mathiesen, Director**"Howard Milne"**Howard Milne, Director*

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

LODGE RESOURCES INC.

Condensed Consolidated Interim Statement of Financial Position

(Expressed in Canadian Dollars)

	Three Months Ended May 31, 2019	Six Months Ended May 31, 2019
OPERATING EXPENSES		
Bank charges and interest	\$ 138	\$ 186
General and administrative	252	252
Professional fees	2,815	5,743
Regulatory and filing fees	1,138	17,888
Share-based payments (Notes 4 and 5)	-	16,047
Net loss and comprehensive loss	\$ 4,343	\$ 40,116
Loss per share – basic and diluted	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding	3,825,000	3,825,000

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

LODGE RESOURCES INC.

Condensed Consolidated Interim Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - Unaudited)

	Number of Shares	Share Capital	Reserves	Deficit	Total Equity
Balance, October 24, 2018 (date of incorporation)	-	\$ -	\$ -	\$ -	\$ -
Issuance of common shares	3,825,000	110,250	-	-	110,250
Net and comprehensive loss	-	-	-	(28,286)	(28,286)
Balance, November 30, 2018	3,825,000	110,250	-	(28,286)	81,964
Share-based payments	-	-	16,047	-	16,047
Net and comprehensive loss	-	-	-	(40,116)	(40,116)
Balance, May 31, 2019	3,825,000	\$ 110,250	\$ 16,047	\$ (68,402)	\$ 57,895

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

LODGE RESOURCES INC.Condensed Consolidated Interim Statement of Cash Flows
(Expressed in Canadian Dollars - Unaudited)

	Six months Ended May 31, 2019
Cash flows used in operating activities:	
Net and comprehensive loss	\$ (40,116)
Adjustments for non-cash items:	
Share-based payments	16,047
Changes in non-cash working capital items:	
Prepaid expenses	(15,000)
Accounts payable and accrued liabilities	3,624
Net cash used in operating activities	(35,445)
Cash flows used in investing activities	
Prepaid expenses – exploration and evaluation assets	(5,000)
Net cash used in investing activities	(5,000)
Net change in cash	(40,445)
Cash, beginning of period	93,097
Cash, ending of period	\$ 52,653

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

LODGE RESOURCES INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED MAY 31, 2019

(Expressed in Canadian Dollars - Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Lodge Resources Inc. (the "Company") was incorporated in the Province of British Columbia on October 24, 2018, under the Business Corporations Act of British Columbia. The Company is in the business of exploration of mineral properties. The Company's registered office is Suite 1510 - 789 West Pender Street, Vancouver BC V6C 1H2 and its business office is located at 3730 Southridge Ave., West Vancouver, BC V7V 3H8.

These condensed consolidated interim 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. As at May 31, 2019, the Company is not able to finance day to day activities through operations and has an accumulated deficit of \$68,402. The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with loans from directors and companies controlled by directors and/or issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

2. SUMMARY SIGNIFICANT ACCOUNTING

Basis of preparation

Statement of compliance

These unaudited consolidated interim financial statements have been prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS") IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The unaudited interim financial statements, prepared in conformity with accounting policies consistent with IAS 34, follow the same accounting principles and methods of application as the most recent audited annual financial statements. Since the unaudited consolidated interim financial statements do not include all disclosures required by the International Financial Reporting Standards ("IFRS") for annual financial statements, they should be read in conjunction with the Company's audited consolidated financial statements for the reporting period ended November 30, 2018.

Basis of measurement

These unaudited consolidated interim financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The unaudited consolidated interim financial statements are presented in Canadian dollars, unless otherwise noted.

Consolidation

These unaudited consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary, Lodge Minerals Inc., which is incorporated in BC. The results of any subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Accounting Standards and Interpretations Issued but Not Yet Adopted

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED MAY 31, 2019

(Expressed in Canadian Dollars - Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New standard IFRS 16 “Leases”

This new standard replaces IAS 17 “Leases” and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15.

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

3. EXPLORATION AND EVALUATION ASSETS

The Company's wholly owned subsidiary, Lodge Minerals Inc., entered into an Option Agreement (“Option”) dated October 31, 2018, with an arms-length party to acquire 100% of mineral claims located in British Columbia, known as the Comstock Property. Pursuant to the Option, the Company, on and after the date (“Listing Date”) that its common share are listed for trading on the Canadian Securities Exchange (“Exchange”), shall issue common shares, make cash payments and incur expenditures as follows:

Date	Number of Shares	Cash Payments	Exploration Expenditures
Paid on signing Option Agreement	-	\$ 5,000 (paid)	\$ -
Listing Date	100,000	10,000	-
June 21, 2019	-	-	25,000 (spent)
1st Anniversary of Listing Date	100,000	-	75,000
2nd Anniversary of Listing Date	100,000	20,000	100,000
3rd Anniversary of Listing Date	100,000	30,000	100,000
4th Anniversary of Listing Date	200,000	250,000	300,000
TOTAL	600,000	\$ 315,000	\$ 600,000

The optionor has retained a 2% net smelter return royalty and the Company may acquire 1% of the NSR by paying a one-time sum of \$1,000,000 at any time prior to the commencement of commercial production on the property.

4. RELATED PARTY TRANSACTIONS

As of May 31, 2019, the balance payable to related parties is \$nil (November 30, 2018 - \$nil) .

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. During the period ended May 31, 2019, the Company granted 500,000 stock options to the directors and officers of the Company at a value of 16,047 (Note 4).

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED MAY 31, 2019

(Expressed in Canadian Dollars - Unaudited)

5. SHARE CAPITAL

Authorized Share Capital

Unlimited number of Common shares without par value

Common Shares

On October 24, 2018, the Company issued 1,800,000 Common shares at \$0.005 per share to a director and a company controlled by a director for gross proceeds of \$9,000.

On November 29, 2018, the Company issued 2,025,000 Common shares at \$0.05 per share for gross cash proceeds of \$101,250, of which 840,000 were issued to directors and a company controlled by a director.

On January 21, 2019, the Company executed an escrow agreement (the “Escrow Agreement”), whereby all common shares issued to related parties are subject to escrow requirements. Pursuant to the Escrow Agreement, the shares will be released pro rata to such shareholders as to 10% on the date of final Exchange (defined below) notice and 15% every six months thereafter over a 36 month period. The escrowed shares are subject to the direction and determination of the Exchange. Specifically, escrowed shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the Exchange.

Initial Public Offering

On May 24, 2019, the Company entered into an agency agreement (the “Agreement”) with PI Financial Corp. (“PI Financial”) where PI Financial will act as agent to offer the Company’s common shares in an initial public offering (the “IPO”) at a price of \$0.10 per common share to raise \$350,000.

Under the terms of the Agreement, the Company agreed to pay a cash commission of 8% of the gross proceeds from the IPO and \$23,625 in corporate finance fees, legal fees, and other expenses to PI Financial. In addition, the Company promises to grant a non-transferable option (the “Agent’s Options”) to purchase up to 280,000 common shares (the “Agent’s Shares”) equal to 8% of the securities sold in the IPO at an exercise price of \$0.10 per Agent’s Share, expiring 24 months from the date of listing on the Exchange.

Stock Options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with Exchange policies, grant to directors, officers and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the common shares issued and outstanding from time to time. Such options are non-transferable and are exercisable at a price per share not below the closing traded price on the day before the date of grant for a period of up to ten years from the date of grant.

Stock options are summarized as follows:

	Number	Weighted average exercise price	Weighted average life (years)
Balance, November 30, 2018	-	\$ -	-
Granted	500,000	0.10	4.85
Balance, May 31, 2019	500,000	\$ 0.10	4.85

LODGE RESOURCES INC.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED MAY 31, 2019

(Expressed in Canadian Dollars - Unaudited)

5. SHARE CAPITAL (continued)

On January 8, 2019, the Company granted options for 500,000 shares to directors and officers of the Company, exercisable at \$0.10 per share, expiring November 15, 2023. The fair value of the stock options granted using the Black-Scholes Options Pricing Model was \$16,047.

The fair value of the stock options granted for the six months ended May 31, 2019 was estimated using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	May 31, 2019
Risk-free interest rate	1.89%
Estimated life (years)	4.85
Expected volatility	100%
Expected dividend yield	0%
Forfeiture rate	0%

Warrants

The Company has not issued any warrants or other dilutive instruments as at May 31, 2019.

CERTIFICATE OF THE ISSUER

Dated: August 8, 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 Ontario, and this draft amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this draft amended and restated prospectus as required by the securities legislation of British Columbia and Alberta.

“Howard Milne”

Howard Milne
CEO and Director

“Steve Mathiesen”

Steve Mathiesen
CFO, Corporate Secretary, and Director

On behalf of the Board of Directors

“James Place”

James Place
Director

CERTIFICATE OF THE PROMOTERS

Dated: August 8, 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 Ontario, and this draft amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this draft amended and restated prospectus as required by the securities legislation of British Columbia and Alberta.

“Howard Milne”
Howard Milne
Promoter

“Steve Mathiesen”
Steve Mathiesen
Promoter

CERTIFICATE OF THE AGENT

Dated: August 8, 2019

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

PI FINANCIAL CORP.

“Jim Locke”

Jim Locke

Vice President, Investment Banking