Copperhead Resources Inc.

For the year ended December 31, 2023 and for the period from date of incorporation (February 17, 2022) to December 31, 2022

Management Discussion and Analysis

Introduction

The following management discussion and analysis ("MD&A") is a review of operations, current financial position and outlook for Copperhead Resources Inc. (the "Company" or "Copperhead") and should be read in conjunction with the financial statements for year ended December 31, 2023 and for the period from date of incorporation (February 17, 2022) to December 31, 2022. The financial information contained in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The MD&A has been prepared effective April 5, 2024 and has been approved by the Board of Directors of the Company.

This MD&A provides management's view of the financial condition of the Company and the results of its operations for the reporting periods indicated. Additional information related to Copperhead can be obtained from the offices of the Company or is available as filed on the Canadian Securities Administrators' website at www.sedarplus.ca.

Overview of the Company

The Company is an exploration stage junior mining company engaged in the business of identification, acquisition and exploration of mineral interests. The Company's principal objective is mineral exploration, focusing initially on the exploration and development of the Red Line Project (the "Red Line Project" or the "Project"), the Company's sole mineral exploration project located in British Columbia, Canada. The Company has acquired the option to acquire a 75% undivided right, title, and interest in and to the Red Line Project pursuant to an option agreement. From time to time the Company may also evaluate and acquire other mineral properties of merit, containing a variety of metals and minerals and located in a variety of geographical jurisdictions.

The Company was incorporated on February 17, 2022 under the *Business Corporations Act* (British Columbia). The address of the Company's registered office is 607 - 1750 Davie Street, Vancouver, BC V6G 1W3.

Forward Looking Information

This MD&A contains forward-looking statements intended to provide readers with a reasonable basis for assessing the Company's performance. Forward-looking statements can be identified by such words as "plans", "expects", "budgets", "estimates", "intends", "anticipates", "believes", "continues", "may", "could", "would", "should", "might" or "will", or equivalents or variations thereof. Forward-looking statements include those with respect to the Company's future strategy, plans, transactions, objectives and adequacy of working capital, including statements relating to acquiring, exploring, and monetizing current and future mineral exploration properties.

Forward-looking statements rely on underlying assumptions, including management's expectations as to transaction opportunities, exploration potential, and precious metals prices that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, those described under "Risks and Uncertainties" below and among others, the exploration or monetization potential of the Company's mineral properties, transaction execution risk, volatility in financial markets, economic conditions, precious metals prices and unanticipated increases in expenses. Although the Company has attempted to identify important factors that could cause actions, events or results not to be as predicted, there can be no assurance that forward-looking statements will prove to be accurate. Other than as required by applicable Canadian securities laws, the Company does not undertake to update any such forward-looking statements to reflect events or circumstances after the date hereof. Accordingly, readers should not place undue reliance on any forward-looking statements herein.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

On April 6, 2022 (the "Commencement Date"), the Company entered into an agreement (the "Option Agreement") with Romios Gold Resources Inc ("Romios"). The Company has the option to acquire 75% of Romios' interest in the Red Line Project. The Company can exercise the option to acquire 75% of the Project by:

i) Incurring exploration expenditures of
   - $75,000 within 12 months of the Commencement Date (Met);
   - $100,000 within 24 months of the Commencement Date (Met);
   - $150,000 within 36 months of the Commencement Date;

ii) Issuing:
   - 1,000,000 common shares to Romios within 5 days of the Commencement Date (Issued on April 6, 2022);
   - 500,000 common shares to Romios within 36 months of the Commencement Date;

iii) Making a cash payment of $75,000 on or before the third anniversary of the Commencement Date; and

iv) Enter into a joint venture with Romios to collectively operate the project, whereby the Company's initial interest in the joint venture shall be 75% and Romios's initial interest shall be 25%.

In 2022, the Company conducted a geological survey which served to confirm the presence of stratigraphy and possible addenda requiring further exploration. The Company engaged an independent expert to prepare a NI 43-101 compliant technical report which includes exploration recommendations. The Company completed the listing of the Company's common shares on the Canadian Securities Exchange (the "Exchange") (CSE:CUH) in May 2023.

RED LINE PROPERTY

On November 4, 2022, the Company completed a Technical Report in accordance with National Instrument 43-101 titled *"Technical Report On The Redline Property, Skeena Mining Division, Northwestern British Columbia, Canada"* prepared by Paul Metcalfe, Ph.D. P.Geo. FGS of Palatine Geological Ltd (the "Author"). All scientific and technical information for the Red Line Project in this MD&A has been reviewed and approved by Paul Metcalfe, who is a qualified person under the definitions established by National Instrument 43-101.

The Technical Report is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

The 2416.9 hectare (ha) Project originally comprised of eight electronic mineral tenures located on the eastern edge of the Coast Ranges of British Columbia 990 kilometers (km) north-northwest (NNW) of Vancouver, Canada (Figure 1).

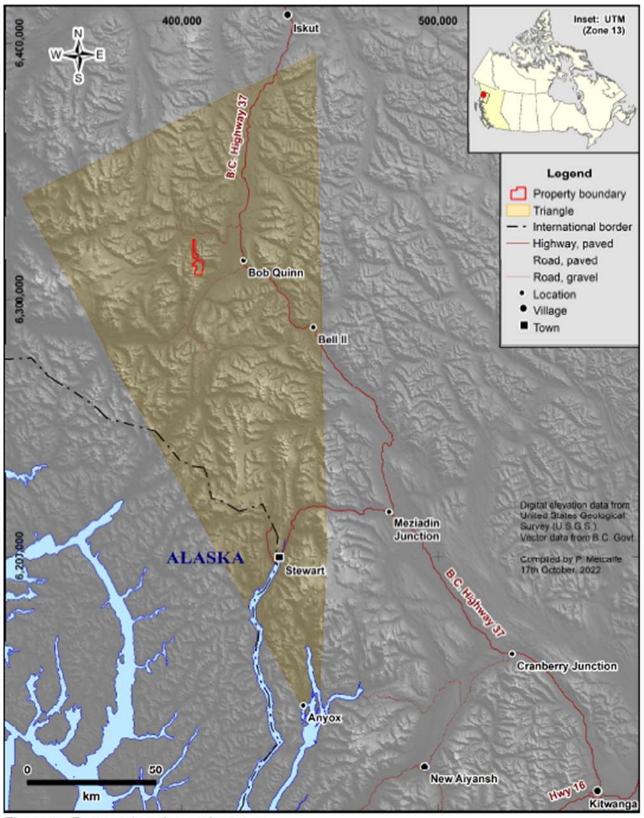

Figure 1. Property location and access.

On July 11, 2023 the Company added an additional mineral claim (the "First New Claim") to the Red Line Project. The New Claim spans over 865 hectares. Please see Figure 2.

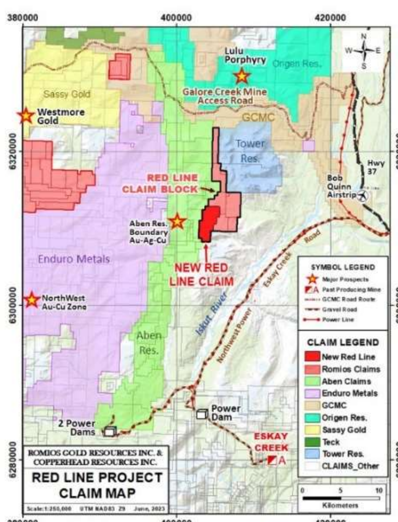

Figure 2: Red Line Project Claims Map

On July 27, 2023, the Company added a second additional mineral claim (the "Second New Claim") to the Red Line Project. The Second New Claim was staked immediately after the discovery of an important syenite pluton south of the pre-existing claims and was designed to cover the pluton. The New Claim spans over 706 hectares. Please see Figure 3.

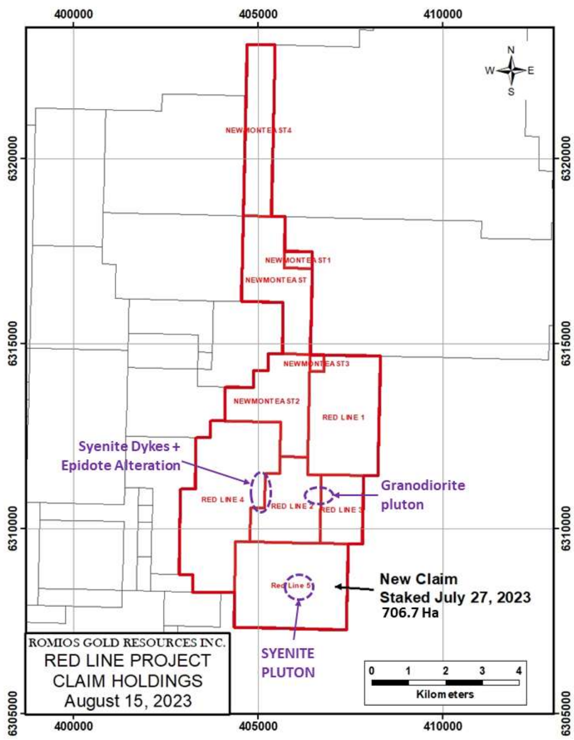

Figure 3: New claim

Following the integration of the First and Second New Claims into the Project, the property size of the Project has been expanded to a total of ten claims, covering a combined area of 3,989 hectares.

Exploration by the Company

Geological mapping and geochemical sampling of accessible streams were carried out during the course of fieldwork. A total of 43 samples (16 rock, 10 heavy mineral and 17 stream sediment) were submitted by Romios, on behalf of the Company, to ALS labs in Vancouver and to ActLabs in Ontario. Samples were generally low in precious metals and, indeed, in base metals. However, elevated values of arsenic (As) were detected in the sample of talus fines (PM22-055) taken on the ridge crest at the centre of the southeasterly striking fracture zone. Elevated As was also associated with the two anomalous Au values taken beyond the eastern limit of the 1992 geophysical survey. Stream sediment and heavy mineral concentrate samples taken in the valley bottom and in areas of thick moraine in adjacent cirques were low in concentrations of both Au and the pathfinder element As.

2022 fieldwork returned generally low values from geochemical sampling, consistent with previous studies on ground enclosed by the present Project. Moreover, the areas selected for geological investigation confirmed, with two exceptions, previous geological mapping. The two exceptions were a southeast-striking, southwest-dipping fracture zone, probably a fault, spatially associated with a subcrop or proximal float of a Kfeldspar megacrystic porphyry. The close lithological similarity of this intrusive lithology with an intrusive phase explicitly associated with the Galore Creek deposit is notable.

In August and September 2023, the Company completed its 2023 exploration field program covering the Project (the “Field Program”). During the Field Program, a very gossanous, potassium feldspar-porphyritic syenite intrusion, thought to be at least 300 m wide, was noted on open ground south of the Red Line claims. The syenite intrusion has numerous large patches of pyritic gossans throughout, potentially indicative of the pyrite shell around a porphyry Cu-Au system. After a brief examination, the area was immediately staked by Romios and subsequently added to the Project as the Second New Claim. The probable southern contact of the intrusion is marked by a major gossan that occurs in a rugged area not examined on the ground as yet. The other margins of the intrusion have yet to be defined but may be partially concealed under a small glacier and glacial till outwash plains. Mineralization in alkalic porphyry deposits such as Galore Creek is often best developed in the margins of the intrusions and the adjacent host rocks. There is no public record of any significant exploration work in the immediate area and this important syenite porphyry is not shown on any government geological map. It is possible that much of the intrusion was covered by the glacier during the government geological mapping programs. The syenite closely resembles a member of the Galore Creek intrusive suite associated with porphyry copper prospects elsewhere in this region (e.g. Enduro Metals Burgundy Ridge occurrence, the Galore Creek deposit, etc.). The intrusion on the Second New claim is by far the largest and most gossanous that the geologists are familiar with anywhere in the area outside of Galore Creek. A sample was collected and sent to the University of British Columbia geochronology centre to determine if it is indeed the same age as the Galore Creek suite.

The Company expects to continue to explore the Project by conducting the following exploration activities:

1. Consultation with independent experts in geophysics and in exogenic geochemistry, for the purposes of recommending optimal techniques for the location of blind, precious metalbearing exhalative deposits, porphyry-style deposits and intrusion-related precious metal vein deposits under glacial and bedrock cover in mountainous terrain;

2. Planning and execution of the recommended geophysical survey;

3. Isotopic age measurement and geochemical analysis of a sample of Black Cat Porphyry where located in outcrop, using U-Pb laser ablation mass spectrometry on zircon to allow for determination of the primary oxidation state of the magma (and thereby fertility);

4. Detailed mapping of the Project, with particular attention to intrusive rocks and any associated alteration, accompanied by intensive prospecting;

5. Creation of a test line for evaluation of various exogenic geochemical methods for locating blind porphyry, vein and Eskay Creek-style exhalative targets; and

6. Planning and execution of the recommended exogenic geochemical survey.

MINERAL PROPERTY EXPENDITURES

	Red Line
	$
Acquisition Costs	
Share paid	52,500
Balance, December 31, 2022 and 2023	**52,500**
Exploration Costs	
Logistics	59,845
Geological consulting	54,411
Travel & lodging	3,269
Assaying, analysis, and sampling	586
Balance, December 31, 2022	**118,111**
Geological consulting	28,640
Logistics	25,422
Personnel	5,271
Travel & lodging	5,079
Assaying, analysis, and sampling	3,414
Equipment and Equipment Rentals	1,544
Balance, December 31, 2023	**187,481**

RESULTS OF OPERATIONS

As the Company has no revenue producing properties, it continues to incur operating losses. The net losses for the year ended December 31, 2023 and for the period from date of incorporation (February 17, 2022) to December 31, 2022 are summarized below:

	Year ended December 31, 2023	Date of Incorporation (February 17, 2022) to December 31, 2022
Office and miscellaneous	984	380
Consulting fees	72,000	48,780
Professional fees	77,632	18,836
Transfer agent and filing fees	43,799	-
Shareholder communications	2,458	-
Stock-based compensation	77,849	-
Foreign exchange loss	-	1,369
Interest income	(11,584)	(924)
Exploration expenditures	69,370	118,111
Loss for the period	**332,508**	**186,552**

The increase in consulting fee relates to the first full year of operation where consultants were engaged partway though the last period. The increase in professional fees, along with filing fees relate to the companies listing on the Exchange.

The following is a summary of the Company's financial results for the period stated:

	Year ended December 31, 2023	Date of Incorporation (February 17, 2022) to December 31, 2022
Net loss and comprehensive loss	(332,508)	(186,552)
Net loss per share	(0.03)	(0.02)

	As at December 31, 2023	As at December 31, 2022
Total assets	331,383	536,660
Current Liabilities	67,156	96,828
Accumulated deficit	(519,060)	(186,552)

The Company had a net loss of $332,508 during the current year, increased from $186,552 for the period from date of incorporation (February 17, 2022) to December 31, 2022. The increase was primarily due to increased costs associated with the company's listing on the Exchange.

SUMMARY OF QUARTERLY RESULTS

Quarter ended	Q4 December 31, 2023	Q3 September 30, 2023	Q2 June 30, 2023	Q1 March 31, 2023	Q4 December 31, 2022	Q3 September 30, 2022	Q2 June 30, 2022	Q1 March 31, 2022
	$	$	$	$	$	$	$	$
Net Sales	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loss for the period	(107,008)	(95,356)	(79,122)	(51,022)	(71,854)	(97,110)	(15,886)	(1,702)
Basic and diluted Loss per share	(0.01)	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)
Total assets	331,383	360,531	427,842	524,870	536,660	311,749	355,268	312,500
Working capital	211,727	240,886	336,242	415,364	387,332	218,783	290,893	308,298

** basic and diluted*

During the quarter ended December 31, 2023, the Company incurred filing fees totaling $10,034 related to its recent listing of its common shares on the Exchange. In addition, the Company had a higher net loss in the current quarter as geology-related exploration costs were incurred in the period. Exploration costs totaled $60,164 in the current quarter.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2023, the Company had cash and cash equivalents of $257,847 and a working capital of $211,727. The Company has enough working capital on hand to pay all commitments but anticipates requiring additional financing to pay for capital expenditures, exploration and administrative costs required to move the business forward. The Company has operating losses and negative cash flows from operations. The Company will remain reliant on capital markets for future funding to meet its ongoing obligations.

OUTSTANDING SHARE DATA

The Company was authorized to issue an unlimited number of common shares.

Issued

	Number of Common Shares	Amount $
Incorporation share, February 17, 2022	1	-
Share issuance	6,200,000	308,482
Share issuance	1,050,000	52,500
Share issuance	3,538,699	265,402
Balance December 31, 2022	**10,788,700**	**626,384**
Share issuance	303,000	30,300
Special warrant conversion	732,000	48,754
Balance December 31, 2023	**11,823,700**	**705,438**

On March 11, 2022, the Company completed a non-brokered private placement for 6,200,000 common shares at a price of $0.05 per share, for gross proceeds of $310,000 less share issuance costs of $1,518.

On April 6, 2022, the Company issued of 1,000,000 common shares at a deemed price of $0.05 per share pursuant to the Option Agreement. On February 24, 2022, 50,000 common shares were issued at a deemed price of $0.05 per share as a finder's fee paid to a third party.

On July 20, 2022, October 19, 2022, October 21, 2022, and November 25, 2022, common shares totalling 333,334, 133,333, 2,603,698, and 468,334 respectively were issued at a price of $0.075 per share.

On January 10, 2023, the Company completed a private placement of 303,000 common shares at $0.10 per share for gross proceeds of $30,300.

On March 7, 2023, the Company issued 532,000 special warrants at $0.10 per unit for total proceeds of $53,200 and issued 200,000 special warrants as commission to the agent (the "Special Warrants"). The Company incurred $4,446 in issuance costs related to these Special Warrants. These Special Warrants were converted to common shares on a one-to-one basis on May 15, 2023, in conjunction with the Company's filing of a final prospectus.

On May 19, 2023, the Company received final approval to list its common shares on the Exchange. The common shares were listed on the Exchange under the symbol "CUH" at the opening of trading on May 23, 2023.

As at April 5, 2024, the Company's share capital structure is as follows:

Equity Type	**Total Number Outstanding**
Common Shares	11,823,700
Options	975,000
Fully diluted share capital	12,798,700

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related parties include management and directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

During the year ended December 31, 2023, the Company incurred $42,000 (for the period from date of incorporation (February 17, 2022) to December 31, 2022: $28,000) in professional fees from an entity in which a director of the Company is also a director and shareholder. As at December 31, 2023, $27,685 (December 31, 2022: $31,660) due to this entity is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing and due on demand.

Total share-based compensation in the form of stock options granted to officers and directors for the year ended December 31, 2023 was $67,868 (for the period from date of incorporation (February 17, 2022) to December 31, 2022: $nil).

All related party transactions are in the normal course of operations and have been measured at the agreed to amount, which is the amount of consideration established and agreed to by the related parties.

FINANCIAL INSTRUMENTS

As at December 31, 2023, the Company's only financial instruments are comprised of cash, receivable and accounts payables. The fair value of these financial instruments approximates their carrying value due to their short-term maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values.

RECENT ACCOUNTING PRONOUNCEMENTS

<u>New and revised IFRS issued but not yet effective</u>

A number of new standards, amendments to standards and interpretations are not yet effective for the fiscal year ended December 31, 2023 and have not been applied in the preparation of these financial statements.

IAS 1 – Amendments to Classification of Liabilities as Current or Non-current

Amendments to International Accounting Standards (IAS) 1 Presentation of Financial Statements clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments also include clarifying the classification requirements for debt an entity might settle by converting it into equity. The amendment applies retrospectively for annual reporting periods beginning on or after January 1, 2024.

IAS 7 and IFRS 7 – Amendments to disclosure requirement supplier finance arrangements

In May 2023, the International Accounting Standards Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. With the amendments, the IASB has introduced new disclosure requirements in IFRS Standards to enhance the transparency and, thus, the usefulness of the information provided by entities about supplier finance arrangements.

The amendments will be effective for annual reporting periods beginning on or after 1st January 2024, with early application permitted.

IAS 21 – Amendments relating to lack of exchangeability

In August 2023 the IASB issued an amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates, addressing the lack of exchangeability between currencies. The amendment introduces guidance to help entities determine whether a currency is exchangeable into another currency and provides requirements about the exchange rate to use when exchangeability is lacking. Specifically, it clarifies how to determine the exchange rate to apply when a currency cannot be exchanged for a freely convertible currency on an orderly basis due to a lack of exchangeability.

The amendments will be effective for annual reporting periods beginning on or after 1st January 2025, with early application permitted.

The Company has not early adopted these revised standards and these standards are not expected to have a material effect on the financial statements.

RISKS AND UNCERTAINTIES

The Company, and an investment in the Company's securities, is subject to various risks and uncertainties set out below and, in the Company's, other publicly filed disclosure documents. The following is a brief discussion of the main risks and uncertainties that could negatively impact the Company's business, results of operations, and/or financial condition. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also impair our business operations.

Option over the Project

The Company's right to exercise its option over the Project will be dependent upon its compliance with the Option Agreement. This includes the fulfillment of the expenditure of funds, and the payment of all option payments due under the Option Agreement. There can be no assurance that the Company will be able to comply with the provisions of the Option Agreement. If the Company is unable to fulfil the requirements of an Option Agreement, it is likely that it would be considered in default of such agreement and the agreement could be terminated resulting in the loss of all rights to the Project, and the loss of all option payments made and expenditures incurred pursuant to the option to the date of termination of the Option Agreement. Additional funding will be required to fund the work expenditure commitments on the Project. There is no assurance that such funds will be available. Failure to obtain adequate financing on a timely basis could result in the loss of the Company's right to exercise the Project option.

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing. Failure to do so could result in the loss of the Company's interest in the Project. The Company's remaining unallocated working capital following completion of the Phase 1 exploration program at the Project will not suffice to fund the recommended Phase 2 exploration program, and there is no assurance that the Company can successfully obtain additional financing to fund such Phase 2 exploration program.

Financing Risks

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

Limited Operating History and Negative Operating Cash Flow

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

To the extent that the Company has a negative operating cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to holders of common shares. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Resale of Shares

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

Price Volatility of Publicly Traded Securities

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

Property Interests

The Company does not own the mineral rights pertaining to the Project or any of the other properties it holds an interest in. Rather, it holds an option to acquire a 75% interest in the Project. There is no guarantee the Company will be able to raise sufficient funding in the future to complete the conditions required in order to exercise its option with respect to the Project. If the Company loses or abandons its interest in the Project, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

First Nations Land Claims

First Nations rights may be claimed on mineral properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada’s 2014 decision in Tsilhqot’in Nation v. British Columbia marked the first time in Canadian history that a court has declared First Nations title to lands outside of reserve land. The Project may now or in the future be the subject of aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company’s ownership interest in the Project 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 Project is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company’s activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on the Project, and there is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Project.

Negative Cash Flow from Operating Activities

The Company is currently in the business of mineral exploration, for which it has had no history of revenue or earnings and has had negative operating cash flow from its operating activities during both its most recently completed financial year and to date. To the extent that the Company has negative operating cash flows in future periods, it may need to deploy a portion of its existing working capital to fund such negative cash flows. The Company may be required to raise additional funds through the issuance of additional equity securities, through loan financing, or other means, such as through partnerships with other mineral exploration companies. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Company as those previously obtained, or at all.

Title to Assets

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

Exploration and Development

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

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore on the Project or elsewhere. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Uninsurable Risks

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

Governmental and Environmental Regulations, Permits and Licenses

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

The Company's operations are also subject to various laws, regulations, and permitting requirements governing the protection of the environment. Such environmental and other regulatory requirements affect the current and future operations of the Company, including exploration and development activities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations may require the submission and approval of environmental impact assessments to be conducted before permits can be obtained and there can be no assurances that the Company will be able to obtain or maintain all necessary permits that may be required for operations to be conducted at economically justifiable costs. The cost of compliance has the potential to reduce the profitability of operations by increasing costs and delaying production. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

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

Environmental Hazards

Environmental laws and regulations may affect the operations of the Company. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for noncompliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact our operations and future potential profitability. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized engineers from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards.

Competition

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

Fluctuating Mineral Prices

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

No Dividend Policy

The Company does not intend to pay any dividends.

Conflicts of Interest

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

Claims and Legal Proceedings

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

Risks Relating to our Shares Market Price of Shares and Volatility

The Common Shares do not currently trade on any exchange or stock market. Securities of microcap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the

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

Personnel

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

KEY PERSONNEL

Damian Lopez, Director, President, CEO
Mike Dai, CFO
Heran Zhou, Corporate Secretary
Matthew Larsen, Director, VP Corporate Development
Sasha Kaplun, Director
Barry Greene, Director

Additional information is available on SEDAR+ at www.sedarplus.ca