DELREY METALS CORP.

Form 2A

Annual Updated Listing Statement

Date: August 9, 2019

(except as otherwise stated)

Definitions

The following is a glossary of certain definitions used in this Listing Statement. Terms and abbreviations used in this Listing Statement and also appearing in the documents attached as schedules to the Listing Statement (including the financial statements) are defined separately if the terms and abbreviations defined below are not used therein, except where otherwise indicated. Any capitalized term used but not defined in this Listing Statement have the meanings ascribed thereon in the Exchange's policies. Words below importing the singular, where the context requires, include the plural and *vice versa*, and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

"**AAMR**" means the annual advance minimum royalty payment of $50,000 payable by the Company to the NSR Holders commencing June 30, 2021 in accordance with the terms of the Option Agreement, such payments to be adjusted annually according to the Consumer Price Index with a base of December 31, 2020 and deductible against future NSR Royalty payments.

"**Affiliate**" means a company that is affiliated with another company as described below. A company is an Affiliate of another company if (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same person. A company is "controlled" by a person if (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that person, and (b) the voting securities, if voted, entitle the person to elect a majority of the directors of the company. A person beneficially owns securities that are beneficially owned by (a) a company controlled by that person, or (b) an Affiliate of that person or an Affiliate of any company controlled by that person.

"**AMI**" means a two kilometer area of influence measured from the outside perimeter of the mineral claims that comprise the Sunset Property but excluding any mineral claims held by third parties.

"**Assignment and Assumption Agreement**" means the Assignment and Assumption Agreement dated May 9, 2018 among the Company, Cobalt 27 Capital Corp. and each of the Optionors, whereby, upon the exercise of the Option, the Optionors have agreed to assign all of their right, title and interest under the Cobalt Royalty Agreement to the Company and the Company has agreed to assume and discharge all obligations of the Optionors under the Cobalt Royalty Agreement.

"**Associate**" when used to indicate a relationship with a person or company, means (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer, (b) any partner of the person or company, (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity, (d) in the case of a person, a relative of that person, including (i) that person's spouse or child, or (ii) any relative of the person or of his spouse who has the same residence as that person; but (e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that member firm, member corporation or holding company.

"**Author**" means Barry J. Price, M.Sc, P. Geo., an independent consulting geologist, the author of the Technical Report.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"BCVC" means BC Vanadium Corp., a private arm's length corporation wholly-owned by the Company.

"**Board**" means the board of directors of the Company.

"**Buyback Right**" means the right of the Company to repurchase 1% of the NSR Royalty from the NSR Holders for a purchase price of $1,000,000 prior to the commencement of commercial production.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Cobalt Buyback Right**" means, at any time between the effective date of the Cobalt Royalty Agreement and the 30 month anniversary thereof, if the Optionors have entered into one or more metal stream agreements with respect to the Sunset Property with the Cobalt Royalty Holder, or any Affiliate thereof, that have an aggregate upfront deposit of at least US$20.0 million (or such other smaller amount, in the Cobalt Royalty Holder's sole discretion), the Optionors have the exclusive right and option to purchase the Cobalt Royalty by making a payment to the Cobalt Royalty Holder in the amount of $500,000 which shall result in the cancellation and surrender of the Cobalt Royalty.

"**Cobalt Royalty**" means a 2% net smelter returns royalty on all cobalt production from the Sunset Property and the AMI granted by the Optionors to the Cobalt Royalty Holder, subject to the Cobalt Buyback Right and the Assignment and Assumption Agreement.

"**Cobalt Royalty Agreement**" means the Net Smelter Return Royalty Agreement date April 12, 2017 among the Optionors and the Cobalt Royalty Holder.

"**Cobalt Royalty Holder**" means the holder of the Cobalt Royalty under the Cobalt Royalty Agreement, which holder is currently Cobalt 27 Capital Corp.

"**Delrey Mineral Properties**" means each of the Sunset Property, the Star-Porcher Properties, the Penecee-Blackie Properties and the Four Corners Project or any one of them.

"**Escrow Agent**" means Computershare Investor Services Inc.

"**Exchange**" means the Canadian Securities Exchange.

"Four Corners Project" means a 7,655 hectare property located in southwestern Newfoundland and Labrador, 25km east of the town of Stephenville, which includes two additional claims, totaling 2,576.7 hectares, acquired in May 2019.

"**Listing Statement**" means this CSE Form 2A Annual Updated Listing Statement.

"**MTO**" means British Columbia's Mineral Titles Online.

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

"**NSR Holders**" means Michael Blady and Christopher Paul, the holders of the NSR Royalty.

"**NSR Royalty**" means a 2% net smelter returns royalty that is granted by the Company to Michael Blady and Christopher Paul in equal amounts upon the exercise of the Option, payable following commencement of commercial production, subject to the Buyback Right.

"**Option**" means the option to acquire a 100% interest in the Sunset Property granted by the Optionors to the Company pursuant to the terms of the Option Agreement, subject to the NSR Royalty.

"**Optionors**" means Dev Rishy-Maharaj, Christopher Paul and Michael Blady, the beneficial owners of the mineral claims that comprise the Sunset Property.

"**Option Agreement**" means the option agreement dated November 7, 2017 among the Corporation and each of the Optionors as amended on May 9, 2018, May 25, 2018 and as amended on June 25, 2018, whereby the Corporation has the option to earn a 100% interest in the Sunset Property, subject to the NSR Royalty and the Cobalt Royalty.

"Penecee-Blackie Properties" means the Peneece and the Blackie Vanadium properties located in British Columbia near to the small coastal cities of Port Hardy (Peneece – 68km) and Prince Rupert (Blackie – 96km), covering a total area of 4,214.4 hectares, include the increase to the Penecee property announced in June 2019.

"**Related Person**" means an "**Insider**", which has the meaning set forth in the *Securities Act* (British Columbia) being:

(a) a director or senior officer of the company that is an insider or subsidiary of the issuer;

(b) a director or senior officer of the issuer;

(c) a person that beneficially owns or controls, directly or indirectly, voting share carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Shares**" means a common share without par value in the capital of the Company.

"Star-Porcher Properties" means a 100% undivided, unencumbered legal and beneficial interest in both the Star and the Porcher Vanadium properties, located in northwestern British Columbia, covering a total area of 8,143.76 hectares, including the increase to both properties announced in May 2019.

"**Stock Option Plan**" means the Company's stock option plan adopted on April 6, 2018 by the Board that provides for the granting of incentive stock options to the Company's directors, officers, employees and consultants.

"**Sunset Property**" means the four mineral claims comprising a total of approximately 785.31 hectares located near the Soo River, approximately 15km north of Whistler, British Columbia, subject to the terms of the Option Agreement.

"**Technical Report**" means the technical report of the Author dated December 11, 2017 entitled "Technical Report on the Sunset Property near Soo River, northeast of Whistler BC" prepared in accordance with the requirements of NI 43-101.

"**TSXV**" means the TSX Venture Exchange.

"**United States**" means the United States of America, its territories and possessions, and any state of the United States and the District of Columbia.

"**we**", "**us**", "**our**" "**the Company**" or "**Delrey**" means Delrey Metals Corp.

"WEM" means WEM Western Energy Metals Ltd., a private arm's length corporation wholly-owned by the Company.

Forward-Looking Statements

The information provided in this Listing Statement, including information incorporated by reference, may contain "forward-looking statements" about us. In addition, we may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by us that address activities, events or developments that we expect or anticipate will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on our then current expectations and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the Company's limited operating history and lack of operating cash flow;
- the speculative and competitive nature of resource exploration, development and operations;
- First Nations land claims, title risks, and the obtaining and renewing of material licences and permits;
- the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interests; and
- other risks described in this Listing Statement and described from time to time in our documents filed with Canadian securities regulatory authorities.

Consequently, all forward-looking statements made in this Listing Statement and our other documents are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences or effects. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that we and/or persons acting on our behalf may issue. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation. See Item 17 – *Risk Factors*.

Market and Industry Data

This Listing Statement includes market and industry data that has been obtained from third party sources, including industry publications. We believe that this industry data is accurate and that the estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, we have not independently verified any of the data from third party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources.

2. CORPORATE STRUCTURE

2.1 Corporate Name and Head and Registered Office

The Company's head office is located at 3707 – 1111 Alberni Street, Vancouver, British Columbia, V6E 0A8. The Company's registered records office is located at 800 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

2.2 Jurisdiction of Incorporation

The Company was incorporated on October 18, 2017 under the name "Delrey Metals Corp." pursuant to the BCBCA.

2.3 Inter-corporate Relationships

The Company has two wholly-owned subsidiaries, as follows.

Company	Place of Incorporation	Effective Interest
BC Vanadium Corp.	British Columbia	100%
WEM Western Energy Metals Ltd.	British Columbia	100%

2.4 Fundamental Change

The Company is not re-qualifying following a fundamental change and it is not proposing an acquisition, amalgamation, merger, reorganization or arrangement.

2.5 Incorporation Outside Canada

This is not applicable to the Company.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Business

The Company is a mineral exploration company focused on the acquisition, exploration and development of mineral resource properties, specifically in the strategic battery metals sector.

Management anticipates that additional funds will need to be raised, through equity financings, shareholder loans, or otherwise, to fund the work programs on the Delrey Mineral Properties. Although the Company has secured financings in the past, there is no assurance that the Company will be able to do so in the future on terms that are favourable or at all.

The Sunset Property

Option Agreement

The Company entered into the Option Agreement with the Optionors on November 7, 2017 as amended on May 9, 2018, May 25, 2018 and as amended on June 25, 2018, whereby the Optionors granted the Company with an option to acquire a 100% interest in the Sunset Property, subject to the Cobalt Royalty and the NSR Royalty, consisting of a total of approximately 785 hectares, located in the Vancouver Mining Division, approximately 15km due north of the village of Whistler, British Columbia, the particulars of which are described in greater detail below. The mineral titles are legally and beneficially owned by the Optionors. All of the Optionors, excluding Michael Blady, are at arm's length to the Company. Mr. Blady, as a director of the Company, disclosed his interest as an Optionor of the Sunset Property to the Board in the directors' resolution approving the entry into the Option Agreement and the matters contemplated therein, abstained from voting on such matters and attached a notice of disclosure to such resolutions.

In order to exercise the Option, the Company is required to pay cash of $15,000 (paid), to issue 666,667 Shares (issued) and incur an aggregate minimum of $1,000,000 in exploration expenditures on the Sunset Property in accordance with the following schedule:

Date for Completion	**Cash Payment**	**Number of Shares to be Issued**	**Minimum Exploration Expenditures to be Incurred**[(3)]
April 1, 2018	$15,000[(1)] (completed)	666,667[(2)] (completed)	-
September 30, 2018	-	-	$100,000
June 30, 2019	-	-	$200,000
June 30, 2020	-	-	$700,000
TOTAL	**$15,000**	**666,667**	**$1,000,000**

(1) Payments were $9,000 to Michael Blady and $6,000 to Christopher Paul.

(2) Shares were issued as follows: 300,000 Shares to Michael Blady, 300,000 Shares to Christopher Paul and 66,667 to Rishy-Maharaj.

(3) Excess expenditures from one year can be applied to the next. If there is a shortfall in exploration expenditures in any one year, the Option Agreement can be maintained in good standing by making a payment, in the equivalent cash, of the shortfall to the Optionors.

The Company's 100% interest in the Sunset Property will be earned through the fulfillment of the obligations listed above. The Option Agreement grants the Company an option only. The Company is therefore not obligated to meet any of the above option obligations in the event that it chooses to terminate the Option Agreement and abandon the Sunset Property for any reason. Under such circumstances, the Company is required to provide the Optionors with six months prior notice of its intention to allow any of the underlying mineral claims of the Sunset Property to lapse. Upon termination of the Option Agreement, the Company is required to ensure that such mineral claims are in good standing for at least a period of one year from the termination date. The Company may terminate the Option Agreement at any time on notice to the Optionors prior to exercise of the option. The Option Agreement will terminate if the Company defaults on its obligations to make any payments, issue any shares or complete any exploration expenditures by the dates set out in the Option Agreement, subject to a cure period of 30 days after written notice of default by the Optionors. Alternatively, the exercise of the Option can be accelerated by making all payments due to the Optionors. Neither the Optionors nor the Company may transfer its interest in the Option Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of the Option Agreement.

Pursuant to the terms of the Option Agreement, the Optionors will retain a first charge on the Sunset Property or any lease thereon with regard to the NSR Royalty, including the AAMR. Further, the Company agreed to maintain all mineral claims in good standing, to apply all exploration work as assessment to the maximum allowable, with any excess credited to the Optionors' PAC account.

NSR Royalty

Upon exercise of the Option, the Company has agreed to grant the NSR Royalty to the Royalty Holders. The NSR Royalty is a 2% net smelter returns royalty granted by the Company to Michael Blady and Christopher Paul in equal amounts, payable following commencement of commercial production. The NSR Royalty is subject to the Buyback Right, whereby the Company has the right to repurchase 1% of the NSR Royalty from the NSR Holders for a purchase price of $1,000,000 prior to the commencement of commercial production. Beginning on June 30, 2021 and annually thereafter, the Company is required to make an AAMR payment of $50,000 to the NSR Holders. The AAMR and the Buyback Right will be adjusted annually according to the Consumer Price Index with a base of December 31, 2020. AAMR payments are deductible from future NSR Royalty payments and such payments will be made 50% to Michael Blady and 50% to Christopher Paul.

Cobalt Royalty

The Sunset Property is currently subject to the Cobalt Royalty which was granted by the Optionors in favor of the Cobalt Royalty Holder pursuant to the terms of the Cobalt Royalty Agreement. The Cobalt Royalty is a 2.0% net smelter returns royalty on all cobalt production from the Sunset Property. Pursuant to the terms of the Assignment and Assumption Agreement, and upon the exercise of the Option, the Optionors have agreed to assign all right, title and interest in and to the Cobalt Royalty Agreement and the Company has agreed to assume, perform and discharge all obligations of the Optionors under the Cobalt Royalty Agreement. The Cobalt Royalty is subject to the Cobalt Buyback Right.

Pursuant to the terms of the Cobalt Royalty Agreement, the Cobalt Royalty Holder has a right of first refusal, whereby if any of the Optionors (or the Company following the exercise of the Option) receives a written offer from an arm's length third person to purchase, option or otherwise acquire a royalty on cobalt produced on the Sunset Property or a participating interest in cobalt based on production from the Sunset Property, the Cobalt Royalty Holder will have a right of first refusal to accept such sale at the price and on the terms and conditions set out in the third party offer as further set out in the Cobalt Royalty Agreement.

If the Optionors (or the Company following exercise of the Option) wish to abandon, relinquish or terminate or not renew all or any portion of the Sunset Property, then such holders are required to provide the Cobalt Royalty Holder with a minimum of 30 days' prior written notice of such abandonment. Upon receipt of such notice, the Cobalt Royalty Holder has a period of 10 days within which to advise such holders in writing if it wishes to acquire the abandoned claims for minimal consideration. If the Sunset Property is abandoned and later such holders, or any Affiliates thereof, reacquire a direct or indirect interest in the Sunset Property, then the Sunset Property will once again be subject to the obligation to pay the Cobalt Royalty.

Pursuant to the terms of the Cobalt Royalty Agreement, if any of the Optionors (or the Company following the exercise of the Option) wishes to transfer any interest in the Sunset Property or under the Cobalt Royalty Agreement, such transfer is subject to: the selling party providing the Cobalt Royalty Holder with at least 20 days' prior written notice of the intent to transfer; any transferee, as a condition to completion of such transfer, agreeing in writing in favor of the Cobalt Royalty Holder to be bound to the terms of the Cobalt Royalty Agreement; and any transferee that is a mortgagee, chargeholder or encumbrancer obtains an agreement in writing in favor of the Cobalt Royalty Holder that such subsequent mortgagee, chargeholder or encumbrancer will be bound by the terms of the Cobalt Royalty Agreement.

3.2 Significant Acquisition and Disposition

The Star-Porcher Vanadium Properties

In December 2018, the Company acquired acquire all the issued and outstanding share capital of BCVC by way of a share exchange agreement dated December 6, 2018, pursuant to which the Company issued 5,500,000 Shares and repaid debt of $10,000 owed to a creditor of BCVC.

BCVC owns a 100% undivided, unencumbered legal and beneficial interest in the Star-Porcher Properties, located in northwestern British Columbia. The Star-Porcher Properties cover a total area of 6,740 hectares and host vanadium mineralization within large bodies of titaniferous magnetite. The Star-Porcher Properties are strategically located on tidewater, near to the small logging community of Oona River on Porcher Island.

The Star-Porcher Properties are comprised of large-scale ultramafic complexes which are intruded by gabbroic bodies hosting iron-titanium-vanadium (Fe-Ti-V) mineralization within massive titaniferous magnetite. Historic samples collected from the gabbro's range from 0.34 to 0.84% V_2O_5. Two of the gabbro bodies mapped on surface display lateral extents of 5.3km x 0.8km and 4.0km x 0.6km. Reconnaissance stream sediment surveys conducted on the Properties returned vanadium values in the 99th percentile of all British Columbia's Regional Geochemistry Survey (RGS) databases.

Highlights of the Star-Porcher Properties are:

- Strong magnetic high anomalies, up to 7km x 5km, indicate that the historic mapping likely underestimated the size of the Fe-Ti-V bearing magnetite bodies and good upside potential exists for expansion.

- The Star-Porcher Properties are located in a historic mining district. The Surf Point Mine, located on the northwest corner of Porcher Island, operated from 1919 through to 1939, before shutting down at the onset of World War II.

- The Star-Porcher Properties are easily accessible by boat or helicopter and workable year round. Active barge-logging is underway within the project areas, which has created a network of logging roads and allows for low cost exploration and development.

- An initial work program including a high-resolution airborne magnetic survey is planned in the near term on the Star-Porcher Properties.

About Vanadium

Vanadium is one of the largest percentage gainers among the battery metals group (Li, Co, Ni, Cu) since early 2017 climbing from under $5/lb to over $30/lb where it currently trades. This ductile, malleable and corrosion resistant transition metal has a wide range of use cases and can be found in automobiles, pipelines, jet engines, redox flow batteries and as an alloy in steel production, among others. Currently 90% of global vanadium production is used as an alloy in the manufacturing of steel, with the grade of the steel proportional to its vanadium content. New regulations recently emplaced by the Standardization Administration of China (SAC) have eliminated Grade 2 steel rebar production in China, replacing it with Grades 3, 4, and 5, which each consume progressively more vanadium. Global industrial growth and increased building standards in earthquake prone areas are forecasted to keep demand for vanadium strong.

The emerging market for Vanadium Redox Flow Batteries ("**VRBs**") is showing tremendous potential. VRBs are non-flammable, reusable over semi-infinite cycles and are shown to not degrade for more than 20 years, which make them an efficient alternative to traditional lithium-ion batteries for grid power storage. The energy generated by renewable sources such as wind and solar is not constant over time and presents an excellent use case for VRBs to store excess power generated during peak production periods, which can be utilized during seasons with low wind or sun exposure. While the battery technology is in its early stages, the recent commissioning of the world's largest ever battery, a 200MW/800MWh vanadium flow battery in Dalian, China, is proof that the fledgling technology is progressing at a fast rate. Currently VRBs account for only 2% of global vanadium demand, while many estimates are forecasting the market share for VRB's to increase substantially as the emerging VRB space continues to grow.

The Penecee-Blackie Properties

In December 2018, the Company acquired acquire all the issued and outstanding share capital of WEM by way of a share purchase agreement dated December 12, 2018, pursuant to which the Company issued 4,250,000 Shares.

WEM owns a 100 percent undivided, unencumbered legal and beneficial interest in the Penecee-Blackie Properties, which host vanadium mineralization within large bodies of titaniferous magnetite. Both properties are strategically located on tidewater, near to the small coastal cities of Port Hardy (Peneece – 68km) and Prince Rupert (Blackie – 96km).

About the Peneece-Blackie Properties:

The Penecee-Blackie Properties are comprised of large-scale ultramafic complexes which are intruded by gabbroic bodies hosting iron-titanium-vanadium (Fe-Ti-V) mineralization within massive titaniferous magnetite. Two of the gabbro bodies mapped on surface display lateral extents of 4.8km x 0.8km (Peneece) and 1.2km x 0.4km (Blackie).

Highlights:

- Historic samples collected from the gabbro on the Blackie assay up to 2.14% V_20_5.
- The Blackie property is located in a historic mining district. The adjacent past-producing Yellow Giant Mine, located less than 10km from the property and operated by Banks Island Gold as recently as 2015 initially boasted a 414% IRR, showing the economic potential that exists on Banks Island.
- McDougall (1984), commented that, "an unusually strong and extensive magnetic anomaly exists over the [Peneece Property]. It was, and still remains the largest flux gate magnetic anomaly noted by the writer during many years of work on the West Coast. The size and overall magnetic intensity of the anomaly were only exceeded at the multi-billion ton "Klukwan pyroxenite-amphibolite" deposit in S.E. Alaska."
- Magnetic concentrate from limited float samples collected distal to the magnetic anomaly on the Peneece Property assayed up to 0.59% V_20_5.
- Both properties are easily accessible by boat or helicopter and workable year round. Historic barge-logging was completed within and near to the project areas, which has created a network of logging roads and allows for low cost exploration and development.

An initial work program including a high-resolution airborne magnetic survey is planned in the near term on both Properties.

The Four Corners Project

In March 2019, the Company announced it had entered into a non-binding term sheet with respect to the right and option to acquire an 80% interest in and to the Four Corners Project (the "**Option**") from Triple Nine Resources Ltd. (the "**Optionor**") and to establish a joint venture therewith (the "**Joint Venture**"). Subsequently, in May 2019, the Company announced that it had entered into a definitive property option agreement with the Optionor (the "**Property Option Agreement**") and increased the size of the Four Corners Project with two additional claims comprising 2,576.7hectares, bringing the overall contiguous land package to 7,655.0 hectares and increased the contiguous land package by 51%. The new claims now capture the entirety of the roughly 4km x 4.7km Four Corners magnetic anomaly, and the Bullseye magnetic anomaly which has a coincident historic selective outcrop sample which assayed 48.18% Fe_20_3, 8.93% $Ti0_{2,}$ and 0.327% V_2O_5.

Highlights of the Four Corners Project

- Strong drill defined vanadium mineralization at the Keating Hill Zone, with a potential strike length in excess of 4.5 kilometers, as well as four other vanadium mineralized zones on the Four Corners Project which have never been drill tested.

- Global firm SRK Consulting (US) Inc. ("**SRK**") report notes positive vanadium recoveries of >90% in preliminary metallurgical tests.

- The Burgeo Highway provides access to an ice-free deep water port within 40 km of the Four Corners Project, as well as a commercial airport and industrial service centre at Stephenville, Newfoundland, which could act as a potential brownfield site for primary and secondary processing.

- Low exploration and development costs with no need for helicopter or camp support, and an additional rebate of up to 50% of exploration expenditures from the Newfoundland and Labrador government under the Junior Exploration Assistance Program.

- Newfoundland and Labrador consistently rated as one of the top mining jurisdictions in the world by the Fraser Institute.

- Work in 2012 by SRK noted a highly favourable hillside mining architecture exists on the Four Corners Project.

- Excellent community relations with strong support for the development of the Four Corners Project.

- 2019 field season will include drilling aimed at expanding Fe-Ti-V mineralization at the Keating Hill East Zone, as well additional exploration over the four other target zones on the Four Corners Project.

The Four Corners Project is located in southwestern Newfoundland and Labrador, 25km east of the town of Stephenville. The Four Corners Project is host to vanadium enriched titaniferous magnetite (iron) mineralization which shows encouraging historical evidence for significant and consistent vanadium accumulations across the five main target zones.

The Four Corners Project also boasts excellent infrastructure and is transected along its entire length by the Burgeo Highway (Route 480) and a 33 megawatt powerline. It is located only 40km (along Route 480), east of the deep-water ice-free Port Harmon Complex. Newfoundland and Labrador is consistently rated as being one of the top mining jurisdictions in Canada and worldwide by the Fraser Institute.

The flagship target, the Keating Hill East Zone, was mapped by the Geological Survey of Canada to be at least 4,500m in length with variable widths between 400m to 1,100m and extending from surface to 590m depth, where it remains open, representing a very large potential target. An airborne EM (electromagnetic) survey conducted in 2011 by Geotech Ltd. greatly added to the potential of the Four Corners Project with the identification of four new targets, increasing the potential mineralized strike length to greater than 16km. Preliminary surface sampling confirms the same style of mineralization found at the Keating Hill East Zone is producing the geophysical anomalies and follow-up work is planned for 2019. Selective samples across the mineralized strike length assayed >40% Fe, 5% Ti, and 0.30% V_20_5 with individual assays returning as high as 56.92% Fe, 15.13% Ti, and 0.39% V_20_5.

SRK completed preliminary magnetic characterisation work which returned very encouraging metallurgical results. The Standard Davis Tube results from a vanadium rich titaniferous magnetite 2010 drill core sample assayed 29.1%

Fe, 9.8% Ti, and 0.232% V_20_5 with concentrate samples returning an impressive 0.643% V_20_5 (initial runs producing a concentrate with an equally impressive >90% recovery of Vanadium).

Terms

The commercial terms of the Property Option Agreement are summarized below.

Cash Payments

In order to exercise the Option and acquire up to an 80% interest in the Four Corners Project, the Company has agreed to pay the Optionor an aggregate cash payment of $450,000 (the "**Cash Payment**") as follows:

(a) a non-refundable $25,000 cash deposit (the "**Deposit**") which was paid upon entry of the term sheet on March 18, 2019;

(b) $25,000 on or before the effective date of the Property Option Agreement (the "**Effective Date**"), which has been paid;

(c) $50,000 on or before the first anniversary of the Effective Date;

(d) $50,000 on or before the second anniversary of the Effective Date;

(e) $50,000 on or before the third anniversary of the Effective Date; and

(f) $250,000 on the earlier of (i) the date that is on or before the fourth anniversary of the Effective Date or (ii) within 30 days of completion of an exploration program as approved by the Technical Committee.

Share Issuances

In addition to the Cash Payment, the Company has agreed to issue the Optionor an aggregate of 12,000,000 Shares in the capital of the Company as follows:

(a) 1,200,000 Shares on the Effective Date, which Shares have been issued;

(b) 2,600,000 Shares on or before the first anniversary of the Effective Date;

(c) 3,600,000 Shares on or before the second anniversary of the Effective Date;

(d) 2,600,000 Shares on or before the third anniversary of the Effective Date; and

(e) 2,000,000 Shares on or before the fourth anniversary of the Effective Date.

Exploration Expenditures

Additionally, the Company has agreed to incur an aggregate of $5,000,000 in Exploration Expenditures (as defined below) as follows:

(a) $1,000,000 in exploration and development activities on or in relation to the Four Corners Project (the "**Exploration Expenditures**") on or before the first anniversary of the Effective Date;

(b) $2,000,000 in Exploration Expenditures on or before the second anniversary of the Effective Date;

(c) $1,000,000 in Exploration Expenditures on or before the third anniversary of the Effective Date; and

(d) $1,000,000 in Exploration Expenditures on or before the fourth anniversary of the Effective Date (the "**4th Year Exploration Program**") and delivery of a prefeasibility study with respect to the Four Corners Project by the Company at the Company's cost in accordance with NI 43-101 and CIM Standards on or before 12 months from receipt of exploration results from the 4th Year Exploration Program.

Optionor Participation Right

The Optionor shall have the right to maintain its proportional equity interest in the Company, subject to certain conditions and exempted issuances, for the period from the Effective Date until the later of: (a) the exercise of the Option; (b) the termination of the Property Option Agreement; and (c) such date that the Optionor ceases to hold at least 10% of the Company's total issued and outstanding Shares on a non-diluted basis.

Joint Venture

Upon the exercise of the Option, the Joint Venture will be formed. The Joint Venture will be governed in accordance with the terms of a joint venture agreement (the "**Joint Venture Agreement**"), the form of which has been attached to the Property Option Agreement. In addition to customary joint venture terms, the Joint Venture Agreement includes the following rights and obligations:

(a) the Company will initially have a participating interest in the Four Corners Project of 80% and the Optionor will initially have a carried interest in the Four Corners Project of 20% until the date that is 120 days after the delivery of a feasibility report on the Four Corners Project, following which the Optionor's interest will automatically convert into a participating interest in the Four Corners Project of 20%;

(b) after conversion of the carried interest, the Company and the Optionor will each bear their respective proportionate share of all costs and liabilities arising under the Joint Venture Agreement in proportion to their respective interests in the Four Corners Project;

(c) subject to certain exceptions, the Company and the Optionor will each have the right to appoint two representatives to the management committee for the Joint Venture and has agreed to together jointly appoint one additional third party representative for a total of five representatives; and

(d) the Company shall be the initial operator of the Joint Venture until it resigns, is removed in accordance with the Joint Venture Agreement, or its interest in the Four Corners Project falls below 50%; and

Net Smelter Royalty

Following exercise of the Option, the Optionor will retain a 3% net smelter royalty (the "**NSR**") on the Project. The Company will have the right to purchase 0.5% of the NSR for a payment of $1,000,000 within 10 days of delivery of a feasibility study with respect to the Four Corners Project in accordance with NI 43-101 and a further 0.5% of the

NSR for an additional payment of $2,000,000 within 30 days of making a production decision with respect to the Project (repurchase of 1.0% and payment of $3,000,000 in the aggregate).

3.3 <u>Trends, Commitments, Events or Uncertainties</u>

There are no trends, commitments, events or uncertainties known to management which could reasonably be expected to have a material effect on the Company's business, the Company's financial condition or results of operations. However, there are significant risks associated with the Company's business, as described in Item 17 – *Risk Factors*.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 <u>Narrative Description of the Company's Business</u>

(1) Business of the Company

The Company is a mineral exploration issuer engaged in the exploration of the Delrey Mineral Properties. The Company operates in a single business segment focusing on mineral exploration in Canada. To date, the Company has not generated any revenue from its mineral exploration activities and has met its cash requirements primarily through share issuances. Until the Company attains profitability, it will be necessary to raise additional financings for general working capital and for exploration costs on its material property. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

(a) Business Objectives

The Company's principal business activities include acquiring and exploring exploration and evaluation assets. The Company has exploration and evaluation assets located in British Columbia and Newfoundland and Labrador.

The Company expects to use its available working capital to finance exploration and development on the Delrey Mineral Properties, and for general working capital, including complementary acquisitions if deemed necessary and in the best interests of the Company.

(b) Significant Events or Milestones

The Company's immediate short-term and long term objectives are to carry out exploration on each of its Delrey Mineral Properties, as well as seeking additional mineral exploration opportunities.

(c) Total Funds Available

As at May 31, 2019, the Company had a working capital of approximately $80,948.

The Company's ability to continue operations is dependent upon successfully raising the necessary financing to complete future exploration and development. These pursuits may be delayed given the current challenges faced by exploration stage companies seeking to raise exploration funds through the issuance of shares *(e) Purpose of Funds*

The Company's working capital will be used to continue exploration of the Delrey Mineral Properties and for general and administrative expenses.

The Company has negative cash flow from operations since incorporation.

(2) Principal Products or Services

The Company is a mineral exploration issuer engaged in the business of the acquisition, exploration and, if warranted, development of mineral properties. The Company does not currently generate any revenues nor does it expect to generate consistent revenues from production of the Property in the foreseeable future. The Company expects to continue to incur expenses as work is conducted to further explore and develop the Delrey Mineral Properties.

(3) Production and Sales

This is not applicable to the Company.

(4) Competitive Conditions and Position

The Company's competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than it has. As a result of this competition, the Company may have to compete for financing and be unable to acquire financing on terms it considers acceptable. The Company may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for financing or for qualified employees, its exploration programs may be slowed down or suspended, which may cause it to cease operations as a company.

(5) Lending and Investment Policies and Restrictions

This is not applicable to the Company.

(6) Bankruptcy and Receivership

The Company has not been the subject of any bankruptcy or any receivership or similar proceedings against the Company or any voluntary bankruptcy, receivership or similar proceedings by the Company, within the three most recently completed financial years or the current financial year.

(7) Material Restructuring

The Company has not undertaken a material restructuring as of the date of this Listing Statement.

(8) Social and Environmental Policies

This is not applicable to the Company.

4.2 Asset Backed Securities

The Company does not have any asset backed securities.

4.3 Mineral Projects

The Company's qualifying material property is the Sunset Property. The claims comprising of the Sunset Property are located 15 km due north of the village of Whistler and 108 km north of Vancouver in the Vancouver Mining Division.

Nature and Extent of Title

See Item 3.1 – *General Development of the Business – The Sunset Property* for additional information.

Sunset Property Description and Location

The Sunset Property is located on NTS Map 092J02W within the Whistler area and is centered at latitude 50º 14' 17" N and longitude 122º 58' 11" W. The corresponding UTM coordinates are 5565100N, 502159E (NAD 83, Zone 10).

The Sunset Property is located in the Vancouver Mining Division approximately 15 km due north of the village of Whistler and 108 km north of Vancouver. Highway 99 passes through Pemberton, connecting the town to Whistler and Vancouver in the south and Lillooet and Kamloops in the north. The Canadian National Railway also runs through Pemberton, connecting Vancouver to Prince George.

FIGURE 1. PROPERTY LOCATION.

Type of Mineral Tenure

The claims are located within the Vancouver Mining Division and encompass 785.31 hectares.

The claims are described in the below table.

Title Number	Claim Name	Owner	Map Number	Issue Date	Good To Date	Area (ha.)
1044105	SUNSET2016A	33% 281925, 33% 269478, 34% 278776	092J	08/31/2016	08/31/2020	62.0044
1045450	SUNSET2016B	33% 281925, 33% 269478, 34% 278776	092J	07/20/2016	08/31/2020	124.0126
1046930	SUNSET2016B	33% 281925, 33% 269478, 34% 278776	092J	09/26/2016	08/31/2020	495.9642
1047510	SUNSET2016D	33% 281925, 33% 269478, 34% 278776	092J	10/29/2016	08/31/2020	103.335

Total Area: 785.3162 ha

Information from British Columbia's MTO website indicates that all of the claims listed in Table 1 are owned 33% by Dev Rishy-Maharaj (281925), 33% by Christopher Ryan Paul (269478) and 34% by Michael Adam Blady (278776).

Map

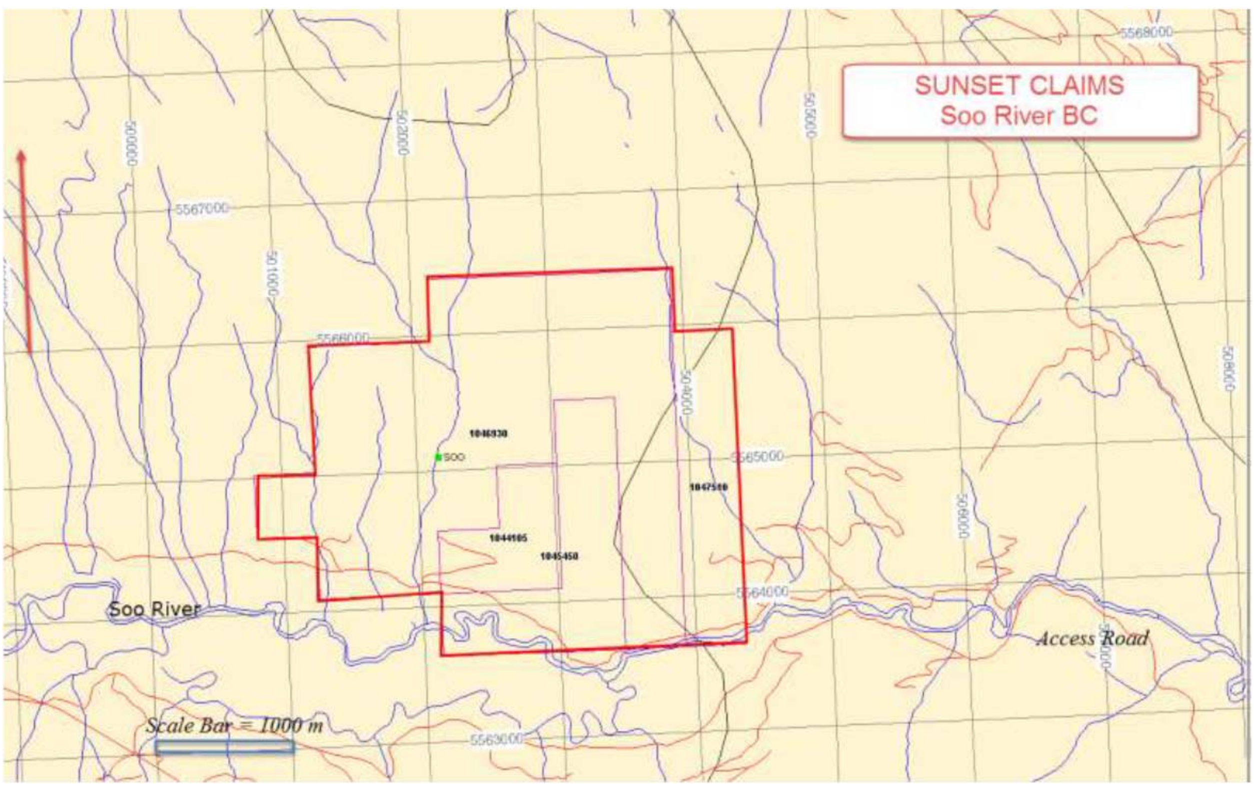


FIGURE 2. PROPERTY, LOCATION OF MINERAL CLAIMS.

The area is under one or more land claims by First Nations, and consultation will be required. For any mechanical disturbance (trenching, drilling etc.) Notices of Work must be filed and approved prior to commencement of work. Approval is taking much longer at present due to the overlapping First Nations claims in some areas, and early submission of the Notice is recommended. The Author is not aware of any environmental issues that would affect exploration at present. The claims are kilometers distant from the Land Conservancy on the Upper Soo Valley.

There is a hydro power facility lower down on the canyon of Soo River. There are existing land titles near Soo River which are covering very small parts of two claims.

Due to the fact that First Nations must be consulted before any type of major work is performed on the claims, it is possible that breaks in communications between the government and First Nations could result in delays with issuing permits required to begin work. There are no other known risks or factors that could affect the ability to perform work on the Sunset Property.

In British Columbia, an individual or company holds the available mineral or placer mineral rights as defined in Section 1 of the Mineral Tenure Act (British Columbia) by acquiring title to a mineral tenure. This is now done by electronic staking through MTO. The electronic map used by MTO allows you to select single or multiple adjoining grid cells. Cells range in size from approximately 21 hectares (457 m x 463 m) in the south at the 49th parallel to approximately 16 hectares in the north at the 60th parallel. This is due to the longitude lines that gradually converge toward the North Pole. Clients are limited to 100 selected cells per submission for acquisition as one mineral title. The number of submissions is not limited, but each submission for a claim must be completed through to payment before another can commence. No two people can select the same cells simultaneously, since the database is live and updated instantly; once you make your selection, the cells you have selected will no longer be available to another person, unless the payment is not successfully completed within 30 minutes.

In British Columbia, the owner of a mineral title acquires the right to the minerals which were available at the time of title acquisition as defined in the Mineral Tenure Act (British Columbia). Surface rights and placer rights are not included, however, mineral title conveys the right to use, enter into and occupy the surface of the claim or lease for the exploration and development or production of minerals, including the treatment of ore and concentrates and all operations related to the business of mining, provided that the necessary permits have been obtained. In order to exercise these access rights on private land, advance notice must be given to the landowner regarding the claim holder’s intention to access the property and providing a description of the intended activities. The landowner may not arbitrarily refuse the claim holder access to the property, but if any dispute arises either of the parties may apply to the Chief Gold Commissioner for advice and suggestions for the settlement of the dispute. Mineral titles are valid for one year and the anniversary date is the annual occurrence of the date of recording.

A mineral title has a set expiry date, and in order to maintain the title beyond that expiry date, the recorded holder (or an agent) must, on or before the expiry date, register either exploration and development work that was performed on the title, or a PEID. Failure to maintain a title results in automatic forfeiture at the end (midnight) of the expiry date; there is no notice to the title holder prior to forfeiture.

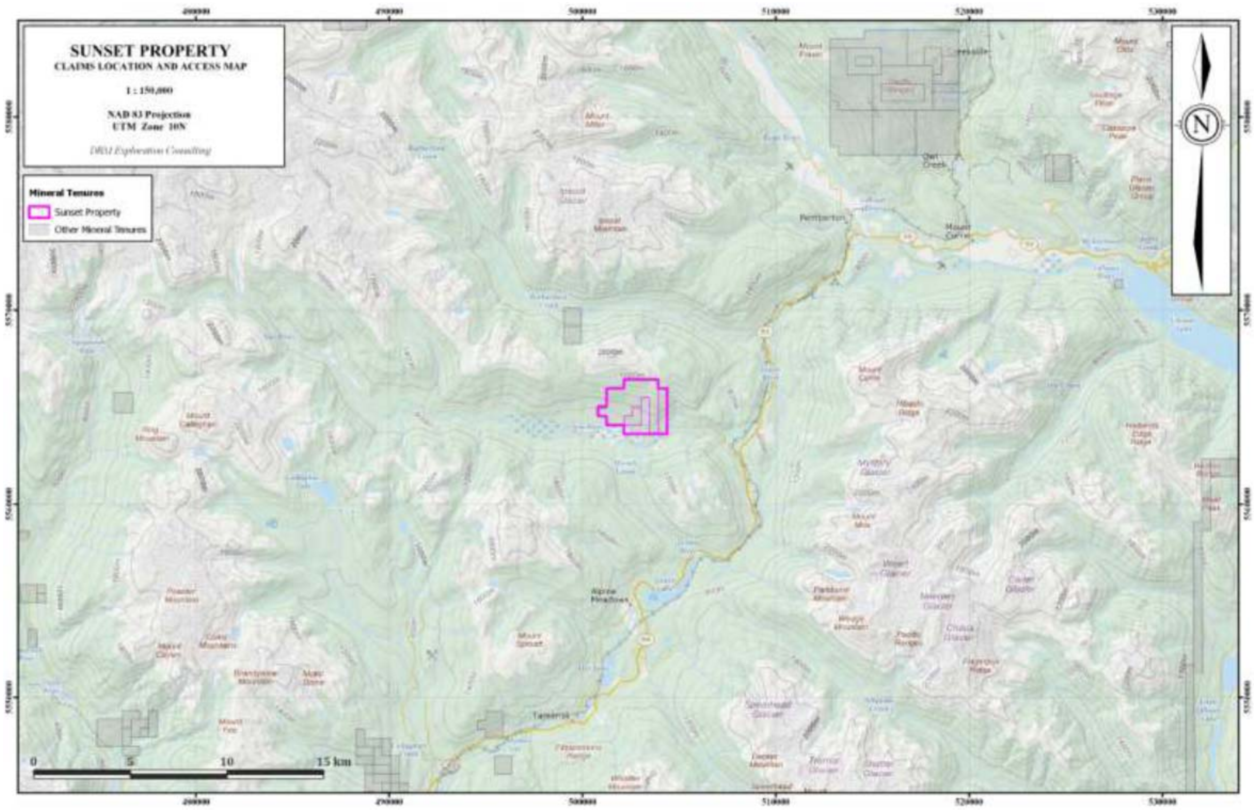


FIGURE 3. CLAIMS AND TOPOGRAPHY.

Access

Access from Vancouver is by Paved Highway 99 to Squamish and Whistler, and beyond to Green Lake. Shortly north of Green Lake, the Soo River access road (gravel) provides access for 8 kilometers to the southern part of the claims and a network of new, good logging roads conveniently crosses the claims above the river. Driving time from Vancouver to the claims is roughly 2 hours.

Physiography

The Sunset Property is situated on the south-facing slope between Soo River and Rutherford Creek and is located in the Pacific Ranges Subdivision of the Coast Mountains Physiographic Province. The area surrounding the claims has a rugged topography with surface elevations ranging from 600 to over 2100m (2000 to 7000 feet). Mountains rise abruptly on either side of Soo River valley; the highest peak near the property is approximately 2150 m (7060 feet) above sea level.

Climate

The climate during the summer is generally warm but may be windy on unprotected ridges and peaks. The weather station at Pemberton Meadows (elev. 655 m) records a mean rainfall of 741 mm/year, a mean snowfall of 2,824 mm/year, and a mean daily temperature varying from a low of -6 degrees C to a high of 18 degrees C.

Vegetation

The treeline is approximately 1600 m on north facing slopes. At lower elevations cedar, cottonwood, white pine, Douglas fir, and hemlock fir are common with Douglas and hemlock fir being more common at higher elevations.

Alpine fir, mosses and grasses are found above treeline. Some logging is currently being done along the road network.

Local Resources and Infrastructure

Highway 99 passes through Pemberton, connecting the town to Whistler and Vancouver in the south and Lillooet and Kamloops in the north. The Canadian National Railway also runs through Pemberton, connecting Vancouver to Prince George. Pemberton Airport has no regular flight services and is an all-weather asphalt strip capable of handling small aircraft. Pemberton Helicopters operates out of this facility and has A-Star and Bell 206 helicopters available for hire.

Some local labour is available in Whistler and Pemberton. Supplies and services are gained primarily from Vancouver but food and accommodation are available locally. Power is available along the Highway 99 corridor.

Both Soo River and Rutherford Creek have a Run of the River power project, but these are not expected to cause any conflict.

History

The first reports of exploration and mineral occurrences along the Pacific Great Eastern Railroad, now British Columbia Railroad were made by Camsell (1917) in Summary Report, 1917, Part B, Geological Survey of Canada.

The nearby area on Callaghan Creek appears to have received a number of prospecting efforts with a small shipment from the Astra-Cambria and Blue Jack prospects prior to discovery of the Warman Property (later the Northair Mine) on Callaghan Creek in 1970.

Historical Work

The following local exploration history is gleaned from existing Assessment Reports on file with the British Columbia Department of Mines and Minfile.

1976-77 Rainbow Syndicate

During 1976-1977, Rainbow Syndicate, a syndicate consisting of Newmont Exploration of Canada Ltd. (40%); Union Oil Company of Canada Ltd. (Calgary) (40%); Bethlehem Copper Corporation (20%); and John McGoran, geologist, conducted prospecting and reconnaissance geological mapping in the vicinity of the Sunset Property claims. They located minor chalcopyrite as veinlets in metavolcanics within a pendant in the Coast Plutonic Complex. John McGoran conducted the reconnaissance geological and silt sampling survey in 1976 and sampled the creek on what was then the Soo 1 claim. This sample contained 3000 ppm copper, 1180 ppm zinc, 2.6 ppm silver and anomalous gold. Geological, geochemical and geophysical surveys were subsequently conducted. The syndicate also explored the Rutherford Creek disseminated gold prospect to the north.

1978 Riocanex

In 1978, Riocanex (Rio Tinto Canada Exploration) examined the Soo River area as part of a regional program of exploring the Gambier Group rocks. The presence of rhyolitic and dacitic rocks in the area prompted them to conduct a stream silt sampling program. This work resulted in them locating one stream anomalous in copper and zinc. Further sampling was conducted in 1979, the results of which indicated that the anomalous portions of the creek were restricted to the section underlain by volcanic rocks. Four claims, Soo A, B, C and D were staked in late 1979 to cover the area of interest.

1980 Riocanex

Riocanex conducted a program of geological mapping, geochemical soil sampling, and electromagnetic and magnetic geophysical surveys. The results of this work indicated one large and a number of smaller areas anomalous in copper with partially coincident zinc and lead anomalies. The VLFEM and Max-Min geophysical surveys generally reflected a northwest geological trend. However, both surveys recorded a “high” at one station. This occurred within a large zinc geochemical anomaly and upslope from the large copper anomaly. The survey area was underlain by volcanics of rhyolitic, dacitic and andesitic composition. Epidote stringers occurred throughout, some of which contained minor chalcopyrite. Pyrite occurred throughout as minor disseminations and up to 5% in quartz sericite schists.

1983 Dr. Michael. P. Warshawski

Dr. Michael. P. Warshawski (“Warshawski”), (who had found the Northair deposit) prospecting in the area in 1983, tested many streams in the property as being anomalous. Assays from silts in this creek revealed that it was anomalous in cobalt as well as copper and zinc. He collected a number of soil samples which also returned anomalous cobalt assays. John McGoran sampled and held claims, at that time explored by walking in several kilometers from the highway.

1985 Warshawski

Four two-post claims - Sue 1 to 4 - were staked for Warshawski. A number of soil samples were collected and assayed by the I.C.P. method. The results indicated a significant cobalt anomaly coincident with Riocanex’s copper and zinc anomalies. Warshawski found one anomalous creek within the former Riocanex property.

1988 Program

Between May 4-22, 1988, Decade International Development Ltd. Conducted a program consisting of geological mapping, geochemical soil sampling and UTEM (time domain electromagnetic) surveying on the Sue claims as they were called then. This work was centered around the area from which significant cobalt geochemical assays were obtained.

To facilitate these surveys a grid was laid out using Silva compass, hip chain and flagging to cover an area approximately 2,000 m x 1,300 m, centered around the area from which anomalous cobalt samples were obtained. The grid consisted of lines at 100 m separations trending N30E. Samples were collected along each line at 25 m intervals. The same grid was used for the UTEM survey. The grid totalled approximately 24.5 line kilometers.

Geochemical assay results indicate that cobalt, copper and zinc anomalous values transect all rock units, indicating a possible structural control not recognized to date. Cobalt is more widespread than originally thought. Geophysical data indicates several conductors which are most likely due to geological contacts and one major but weak one not attributed to a contact. The cause of the latter one is unknown.

1991 Exploration Program

A diamond drill program consisting of two holes totalling 1,294 feet (393.5 m) was conducted in 1991 by Harold Jones for Decade International Development Ltd. to test a cross-section through a part of the high Cu-Co-Zn geochemical anomaly and weak EM conductors. Drill results indicated the area to be underlain by mostly andesitic with lesser dacitic and rhyolitic pyroclastic rocks. The diamond drilling program was conducted by Boisvenu Drilling Ltd.

The entire core was sampled and assayed for 30 elements by I.C.P. and gold by atomic absorption. Assays were very low for all elements. No significant assays were obtained from the two drill holes. It was concluded that the package of volcanic rocks in the drill area did not contain sufficient base metal mineralization to be the source of the soil anomalies, and that the anomalies were probably transported from a source not yet located.

A number of strong fault zones were encountered. These may account for the single station UTEM anomalies recorded in proximity to this hole. Fracturing was also strong throughout most of the core. The total cost of the diamond drill program was $40,253.

Geological Setting and Mineralization

Regional Geology

The area is underlain by the Coast Plutonic Complex which is comprised of granitoid rocks of the Mesozoic Era. These rocks contain roof pendants of highly deformed sediments and volcanic rocks. The intrusive rocks of the plutonic complex stitch terranes together and include pre-, syn-, and post-deformational plutons. The main pulses of plutonism occurred during the late Middle Jurassic, Late Jurassic, Jurassic-Cretaceous, and Middle Cretaceous. Subsequent Late Cretaceous and Tertiary intrusions form discreet bodies in the eastern areas of the Coast Belt.

A very strong northwest-trending structural grain (strikes and foliation) extends through the area. The intrusions tend to mask much of the pre-accretionary geology, predominantly volcanic suites, with structural elements destroying some or all of the original elements from the time of deposition.

The early Tertiary magmatic front generally coincides with the western edge of the Coast shear zone, a ductile shear that divides the CPC along its axis for more than 1200km. The Coast shear zone has a complex deformation history including: 1) early dextral transpressive displacements between 85 and 60 Ma; 2) northeast-side-up reverse motion between 65 and 57 Ma; and 3) normal northeast-side-down motion between 57 and 48 Ma. A strong of 70-55 Ma syntectonic tonalite plutons intruded the shear zone but are absent to the southwest. The spatial coincidence of the shear zone and the magmatic front is clear north of 52° N, but the extent of this relation to the south and its role in the evolution of the CPC remain uncertain (Univ. Arizona, Geology Web Page, Batholiths).

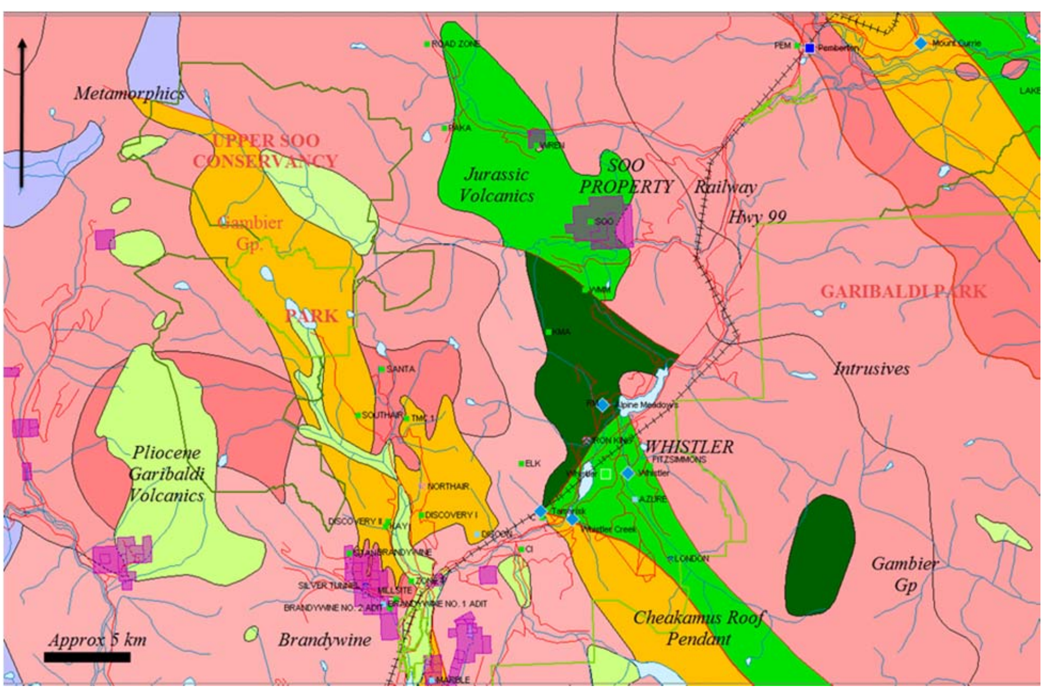


FIGURE 4. GEOLOGY OF THE WHISTLER AREA.

Local Geology

The Sunset Property is underlain by a roof pendant within the Coast Plutonic Complex. The rocks within this roof pendant consist largely of metavolcanic strata attributed to the Whistler Pendant, which are dominantly andesitic and dacitic volcaniclastics which, as a result of regional metamorphism, are now greenschists.

Intermediate composition volcanic is the most commonly encountered rock type, with units appearing in poorly defined groups. Due to faulting and pervasive alteration, original bedding and structural orientation of individual units has been difficult to determine. The volcanic package at the Sunset Property consists of rhyolitic-dacitic rocks in the central part of the claims area, grading north-easterly into dacitic-andesitic units and finally into dominantly andesitic units. Quartzdiorite intrusive rock was noted by field technicians in the 2016 program near the mapped contact in Figure 5. Additionally, this location does show a correlation with high copper in soil. Further detailed mapping is planned in the central area of the tenure near this contact zone to further define any connection between intrusive rocks on the property and copper mineralization. A compilation of the previous mapping work completed by historical operators, along with field observations in the 2016 technical program have allowed the production of a property scale geologic map as seen in Figure 5.

Geology is shown in figures 4 and 5.

Mineralization

Hematitic red soils are well exposed on the claims in the clear-cut logging area and along the logging roads. At several locations, limonitic-rich gossanous material is associated with these soils. This material is either a true iron gossan or ferricrete, a gossan-like material formed by the deposition of limonite by ground water. The source of the iron is likely the pyritic altered and oxidized zones seen up-slope. Mineralization seen on the property as yet is confined to heavily pyritized altered shears with minor chalcopyrite in locations shown in Figure 5.

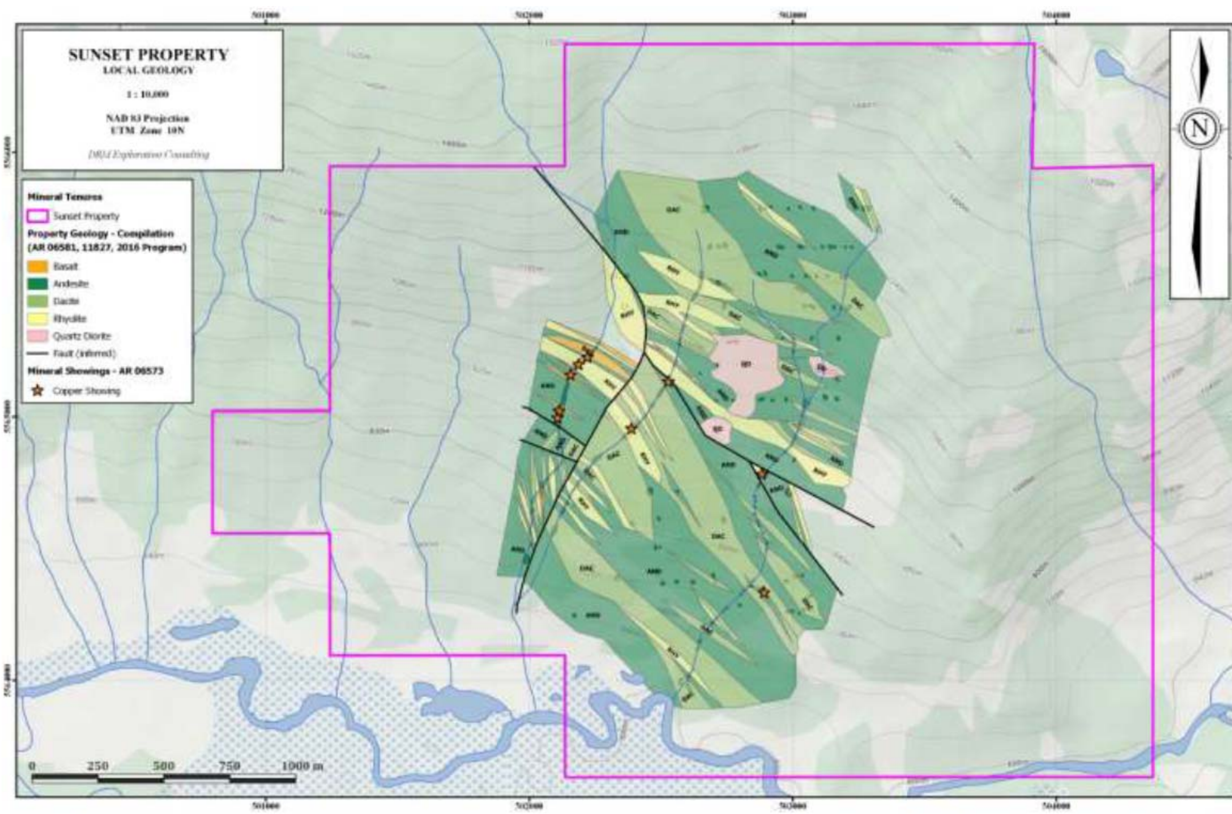


FIGURE 5. LOCAL GEOLOGY (2016).

Deposit Types

The Whistler-Pemberton area is a strongly mineralized belt. Deposit types in the area are:

- Volcanogenic massive sulphide deposits (Fitzsimmons, Northair, Britannia);
- Gold bearing vein or replacement deposits (Northair);
- Gold –silver veins (Brandywine, Daisy Lake, Ashlu, Wren);
- Iron deposits (Iron King);
- Pyrite-chalcopyrite-magnetite skarn (London);

Copper-Molybdenum porphyry (Marble, Daisy, Elk).The target presently sought at the Sunset Property claims is a volcanogenic massive sulphide deposit, similar to Britannia or a vein and replacement type gold-silver deposit similar to Northair or Brandywine.

Exploration

The Optionors have completed the following work:

1. Prospecting
2. Geochemical soil and rock sampling
3. Magnetometer surveys

This work is summarized in a comprehensive assessment report by Dev Rishy-Maharaj, B.Sc. Geology prepared by *DRM Exploration Consulting*, Dated August 1st 2017, advancing the claims to 2020. From this report, a summary of the work has been reproduced or amended:

> During the 2016 season additional work was completed to confirm the previous anomalous soil geochemical grid, and to expand the sampling area to the east. 431 samples were collected on northsouth oriented 100-meter spaced lines, with samples collected on reconnaissance 100 meter spacing down each line. Soil sampling results confirmed the previous anomalous area for Copper, Cobalt, and Zinc metals, with numerous samples >1000 ppm Cu and >100 ppm Co. Rock samples were also collected from gossanous or otherwise anomalous looking outcrop. Rock sampling results were variable, but did contain marginally anomalous Copper values. Additional rock sampling is planned for future work programs.
>
> A high-resolution ground magnetometer survey was also completed along 100-meter spaced lines, coincident with the geochemical grid. Magnetometer survey results were consistent with expected resolution and gradient, showing a gradual increase in total magnetic intensity (TMI) moving to the northeast corner of the tenure, where mapped Garibaldi group volcanic rocks reach the contact with Cretaceous intrusive quartz diorite. The results of the magnetometer survey can be seen in Figure [10].

Soil Sampling

The following description of the 2016-2017 work has been amended and summarized from the Assessment Report by Rishy-Maharaj (2017):

Soil samples were collected using a handheld "Dutch" soil auger. Samples were taken at 100-meter spacing on north-south lines spaced 100 meters apart. Effort was made to auger consistently into the B horizon material, which was at variable depth on the property. A total of 431 soil samples were taken.

Soil samples from 2016 which have over 500 ppm copper are shown below: In general, samples over 500 ppm should be considered anomalous and those over 1000 ppm are strongly anomalous. Copper values in soil over 500 parts per million, when plotted with historical values from assessment reports, show a cluster about 1000 meters by 500 meters. Numerous anomalous cobalt values also lie within the area and a smaller cluster of anomalous zinc in the soil is also present.

2016 anomalous Copper results, Ranked					
SAMPLE_ID	UTM83N_10N	UTM83E_10N	Co	Cu	Zn
SUN480	5564911	502594	1	2250	28
SUN474	5565507	502595	114	1880	11
SUN367	5565505	502495	2	1150	7
SUN371	5565117	502495	1	1075	6
A2018464	5565606	502495	8	1035	24
SUN491	5563907	502595	245	961	108
SUN363	5565029	502996	14	753	149
SUN440	5565008	502897	17	672	60
A2018194	5564347	502801	77	655	270
SUN340	5564105	502300	357	625	1070
SUN382	5564107	502495	220	612	252
SUN392	5564910	502695	16	607	124
SUN380	5564207	502495	211	584	244
SUN-MB-012	502635	5565534	7	543	41
SUN487	5564307	502590	247	517	547
A2018191	5564633	502806	33	510	68
A2018492	5564408	503195	122	505	66
SUN365	5564803	502992	12	503	32
SUN-DR-004	503006	5564969	8	501	66

Samples from 2016 considered anomalous for Cobalt are shown below: In general, those values over 100 ppm can be considered moderately anomalous.

2016 Anomalous Cobalt results, ranked					
SAMPLE_ID	UTM83N_10N	UTM83E_10N	Co	Cu	Zn
SUN340	5564105	502300	357	625	1070
SUN487	5564307	502590	247	517	547
SUN491	5563907	502595	245	961	108
SUN382	5564107	502495	220	612	252
SUN380	5564207	502495	211	584	244
SUN355	5563905	502997	187	430	250
A2018488	5564806	503196	175	165	75
SUN341	5564207	502296	143	286	806
SUN-CP-005	502205	5565317	136	183	304

2016 Anomalous Cobalt results, ranked					
SAMPLE_ID	UTM83N_10N	UTM83E_10N	Co	Cu	Zn
A2018492	5564408	503195	122	505	66
SUN-CP-001	502103	5565119	114	350	196
SUN474	5565507	502595	114	1880	11
SUN443	5564708	502897	112	202	88
A2018238	5564610	503997	104	280	166
A2018610	5564744	502801	101	217	444

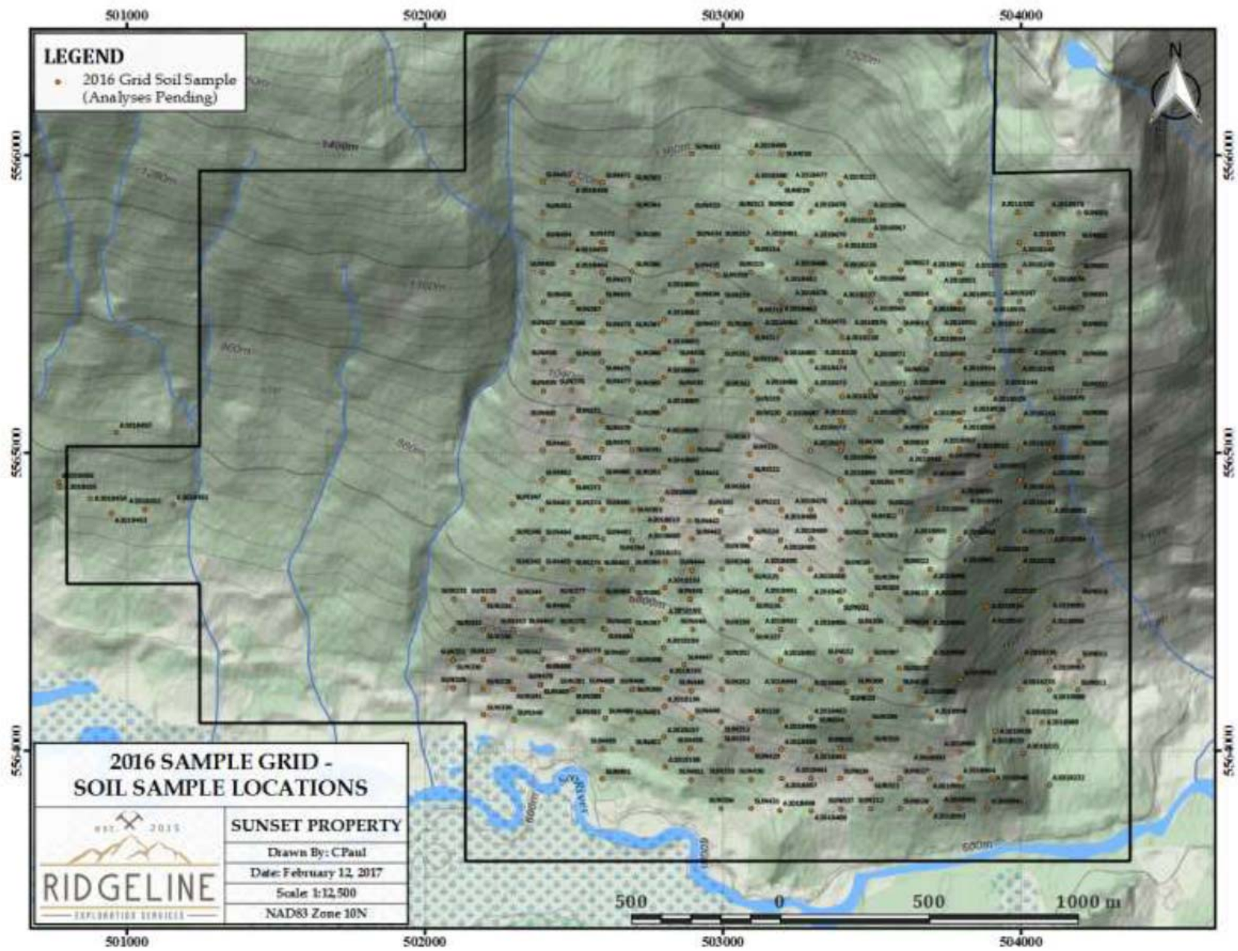


FIGURE 6. SOIL GRID LOCATIONS (2016).

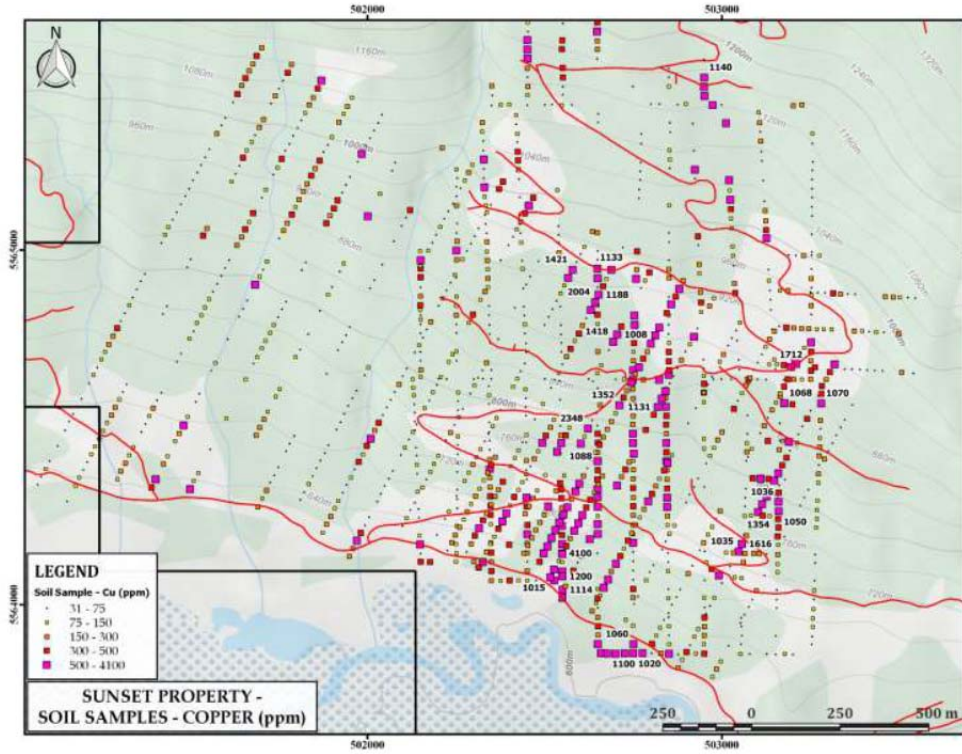


FIGURE 7. SOIL SAMPLE RESULTS – COPPER (HISTORIC AND 2016).

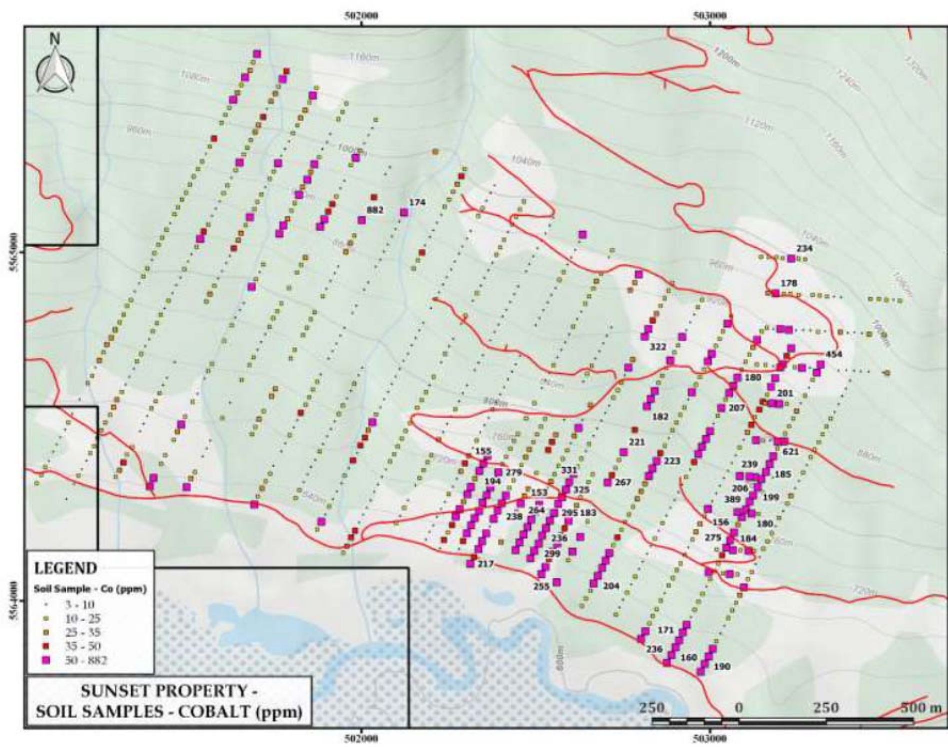


FIGURE 8. SOIL SAMPLE RESULTS – COBALT (HISTORIC).

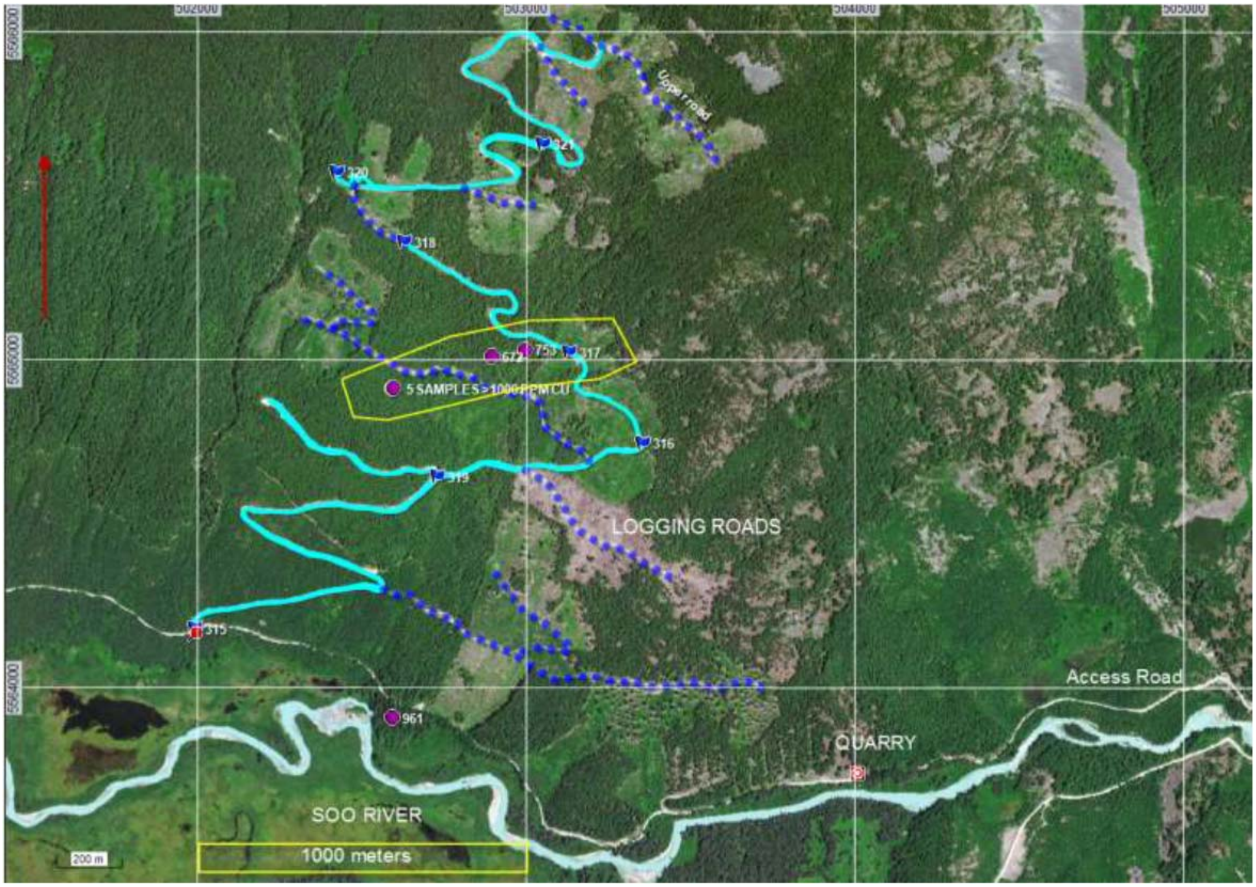


FIGURE 9. BEST COPPER VALUES (2016).

Ground Magnetometer Survey

Ground magnetometer surveys were completed at the Sunset Property along 100-meter spaced lines, overlapping with the geochemical grid. Two backpack-mounted GSM-19W Overhauser "Walking" magnetometers were used as rover units, with a sampling frequency of one measurement taken every second (1 Hz). A third GSM-19T Proton "base" unit was set up near the corner of the grid, set to take readings every 5 seconds, recording the diurnal variation to allow correction of the rover values. The base station was placed in a consistent location where it would not be affected by vehicles or field personnel interference.

A total of 68 line-kilometers of magnetic surveying were completed. True track length was estimated to equal at least 1.5 times the planned 68 line-km survey, owing to terrain difficulties, cliffs, and other obstacles that had to be circumvented due to the steep coastal geomorphology. Figure 10 below shows the true tracks as completed by the surveyors. Most of the survey lines had to be cut short in the highest alpine regions due to thick snow.

Positioning data was provided by a handheld Garmin GPSMAP 62s unit, set to record a position every second (1 Hz), consistent with the sampling rate of the magnetometer device. After returning from the field all data was downloaded to laptop computer. GemLink software was used to remove the daily diurnal variation. Positioning data and magnetometer readings were combined using a unique timestamp for each entry. The data was then gridded using a minimum-curvature method with Surfer 13 mapping software and plotted into a colour-coded TMI map (Figure 10).

Results of the magnetometer survey were excellent, with a drastic increase in imagery quality over the existing publicly available Canada 200m magnetic survey data. The ground magnetic survey was able to define a general trend from magnetic lows in the southwest increasing gradually in magnetic intensity to the northeast. The smooth transition from magnetic lows to magnetic highs is interpreted as the effect of thinning volcanic cover which has a low magnetic susceptibility grading into intrusive dioritic rocks which are strongly magnetic. A few north-striking linear lows cut the general magnetic gradient, some of which are coincident with creek drainages and are interpreted as magnetic destructive faults.

An isolated magnetic high feature occurs in the central area of the survey grid, which may be an important feature. High copper in soil values also bracket this magnetic high feature on the east and south sides. This magnetic feature will require further field examination and possible drill testing to determine its nature and the connection with a possible mineralized magnetic horizon at depth in this area. It remains the primary target for mineralization at depth, as defined by the 2016 ground magnetic survey.

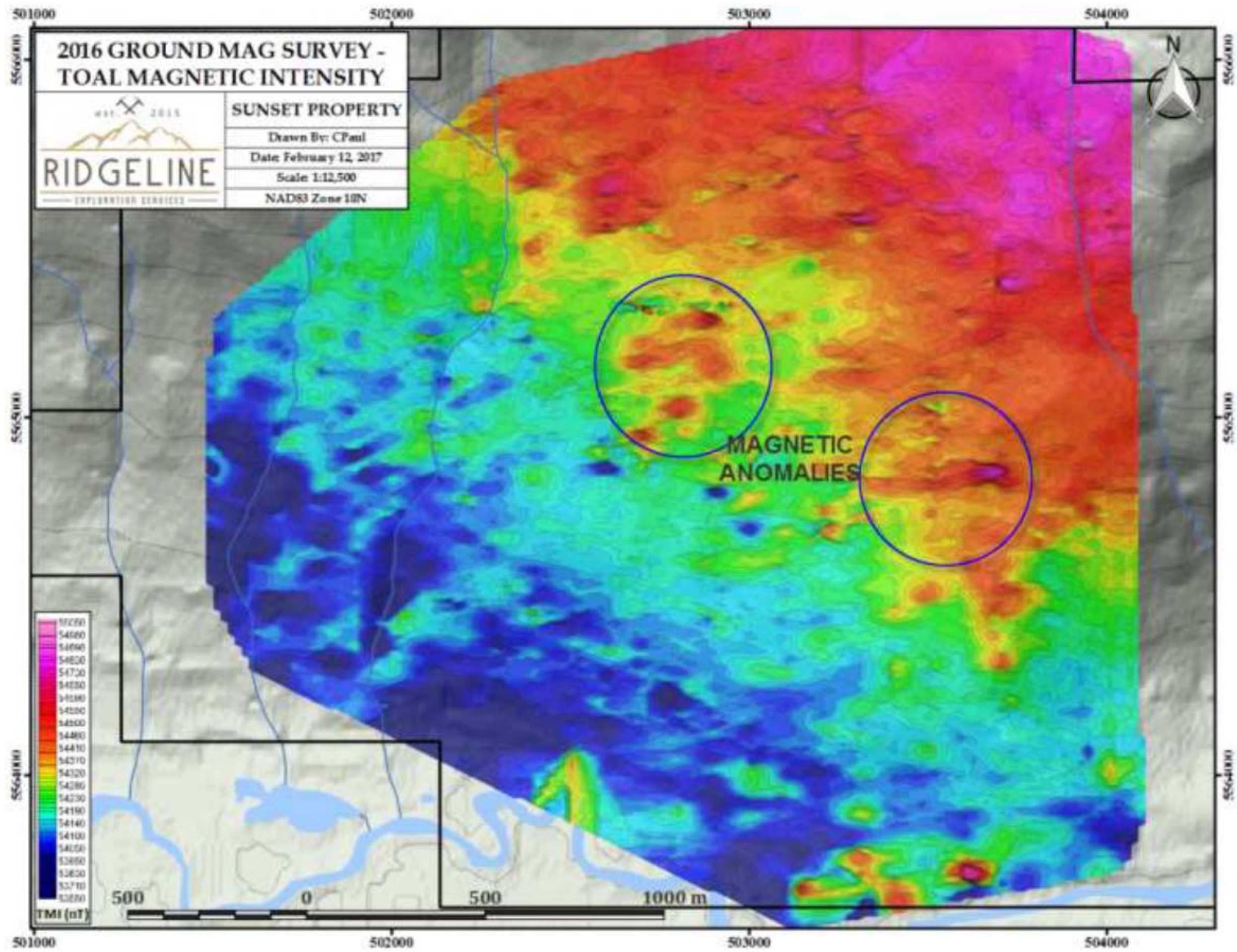


FIGURE 10. MAGNETIC SURVEY (2016).

Drilling

Although there was historical diamond drilling on the Soo Property (2 holes in 1991), the current claim holders have not performed any drilling.

Sample Preparation, Analyses and Security

Following completion of the field work, soil samples were transported to ALS Minerals' facility in Kamloops, British Columbia for preparation and shipment to North Vancouver for analysis. ALS Minerals is an accredited laboratory used extensively by Junior and major exploration and development companies world-wide. Samples were placed into Kraft soil bags. All soil sample sites were marked with labeled pink flagging tape. UTM coordinates for sample sites were determined using Garmin GPSMAP 62s units. Notes on sample colour, grain size, horizon, depth, quality, remarks, and a photo were logged using iForm app on iOS devices in the field. All samples were analyzed by standard ICP techniques.

An additional 54 samples (silt soil and rock) were also analysed by Met-Solve Analytical Services Inc., Langley BC., a respected geochemical, metallurgical and testing laboratory using standard ICP techniques.

Soil Samples

Soil sample pulps were prepared by drying and sieving to -80 mesh. For multi-element analysis, ALS analysis code ME-ICP41 was utilized in which a 0.5g aliquot of the pulp was digested under heat in an aqua Regia solution. Following digestion, the sample was made up to volume with deionized water and analyzed for 35 elements by ICP-AES and ICP-MS.

Rock Samples

Rock samples were dried and crushed to 70% passing 2 mm and a 250-gram split of the crushed material was pulverized to 85% passing 75µm. Following the preparation, a 15-gram aliquot of the pulverized material was digest in a hot 3:1 ($HCl:HNO_3$) aqua Regia bath for 1 hour. Upon completion of the digestion, the resulting solution was made up to volume with deionized water and analyzed by ICP-AES.

TABLE 2 2016 ROCK SAMPLE LOCATIONS AND RESULTS FOR Co, Cu, Zn

Sample ID	UTM_83_E	UTM_83_N	Occurrence	Co_ppm	Cu_ppm	Zn_ppm
A2018171	503424	5564370	Float	10	42	61
A2018172	503346	5564012	Subcrop	22	45	25
A2018551	502192	5565252	Outcrop	4	94	13
A2018552	502241	5565469	Float	6	13	33
A2018189	502355	5565477	Subcrop	14	283	53
A2018190	506369	5548816	Outcrop	37	60	23
SUN_SD_001	502362	5565495	Subcrop	12	219	99
SUN_SD_002	505967	5548536	Outcrop	6	730	55
SUN_SD_003	503380	5563986	Subcrop	5	247	43
154027	501154	5565027	Float	7	94	447

Data Verification

The Author took three rock samples from the property in areas of strong silica/pyrite/sericite alteration in shear zones. These were analyzed by ALS Minerals Ltd. North Vancouver.

THE PROPERTY CLAIM SAMPLES Barry Price, 2016		
ME- ME- ME- ME- ME- ME- ME- ME- ME- ME- **ICP41 ICP41 ICP41 ICP41 ICP41 ICP41 ICP41 ICP41 ICP41 ICP41** **SAMPLE Ag As Bi Co Cu Fe Mo Pb S Zn**		
316 <0.2 3 <2 10 14 3.92 1 <2	3.6	11
318 <0.2 18 <2 12 13 3.74 1 5 1.63 31		
321 <0.2 <2 4 18 18 4.32 1 2	3.04	25
DATE RECEIVED: 2016-11-15 DATE FINALIZED : 2016-11-30		

None of these samples are considered anomalous but are from strongly oxidized, altered and leached zones with significant sulphur content.

Adjacent Properties

Neither the Author nor the Corporation has any direct or indirect beneficial interest in the properties described under this heading or any relationship to the companies involved. The information is provided solely for the benefit of the reader and for comparison with the subject properties. Any production or resources described may or may not comply with the provisions of NI 43-101 and such estimates should not be relied upon.

Rutherford Creek

The Rutherford Creek disseminated gold prospect was first staked in the mid-1970’s by the Rainbow Syndicate (Newmont, Union Oil and Bethlehem Copper).

The area was staked as the GL Claims after a regional stream sediment sampling program identified anomalous zinc and gold in the Rutherford Creek drainage. From 1977 to 1980, the property was geologically mapped and soil sampled.

A geochemically anomalous area200 meters by 250 meters was outlined and contained values up to 780 ppb gold. Panning the soils within the anomalous area returned visible flakes of angular gold.

In 1980, an I.P. survey (a single-line, test survey) was conducted over the anomalous area and a 100-meterlong anomaly, believed to be disseminated pyrite, was outlined. This anomalous zone was below the area where gold had been panned from the soils. A small trench was dug across the anomalous zone. This trench exposed a silicified, pyrite-bearing shear zone, but rock samples from the trench carry only low gold values.

In 1987, Castle Minerals relocated the Syndicate’s trench and established a grid over the northern portions of the property east of the trench. Several widely spaced road cuts greatly enlarged its surface dimensions of the original showing. Grid lines 50 m apart were cut over the lower slopes of the Wren and Sparrow Claims to expand the area of known gold mineralization.

Results of the geochemical program were very encouraging. Samples ranged from 1 ppb to 5690 ppb. At 100 ppb threshold, over 15 % of the samples are anomalous. The results of the geochemical survey were sufficiently encouraging to warrant drill testing some of the anomalous areas. A small program of 5 drill holes totalling approximately 200 metres was proposed, and in mid-May a BBS-1 drill rig was mobilized to the property.

All of the core was split, logged, and assayed; all core was divided into 3 metre (10 feet) sections, split lengthwise, and sent to Acme Analytical Labs Ltd. for assaying.

Minor chalcopyrite was seen in the core; gold is present within fault gouge and appears to be associated with pyrite, in narrow, quartz veins in the plutonic rocks and in quartz stringers in the argillite host. Two 10-foot sections of argillite contained numerous quartz stringers with assays to 185 and 600 ppb. Gold respectively, strongly anomalous but sub-economic.

At present the claim is held by J.W. (Bill) Morton, P.Geo.

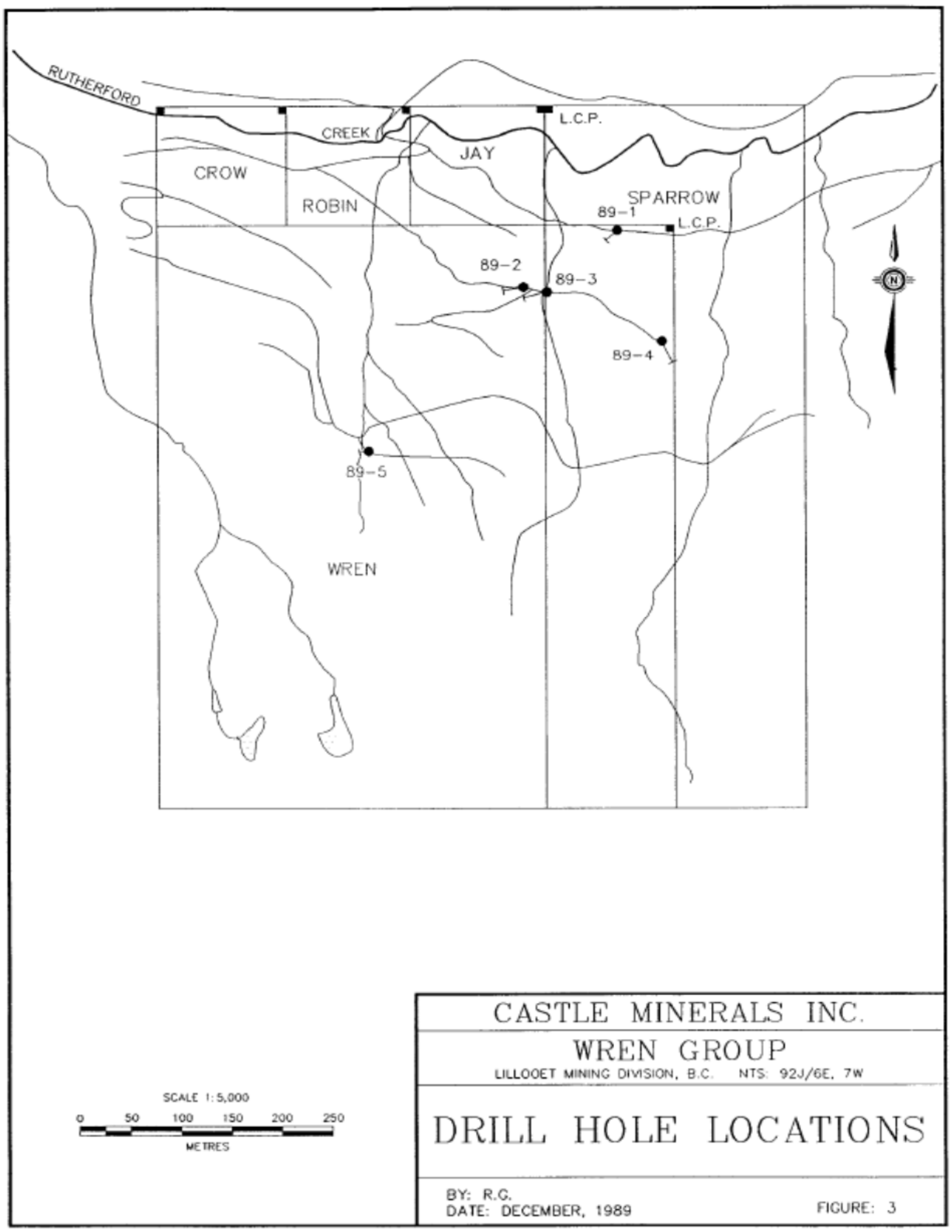


FIGURE 11. RUTHERFORD CREEK DRILLING (GONZALES 1989).

Molygold (Paka)

Although not strictly adjoining the Soo Claims, the Molygold or Paka property is situated to the north on Rutherford Creek.

The Molygold claims were intensively investigated in 2006. Between May and late September, the main areas noted in previous years' work were sampled. Drilling occurred on the Road and Breccia Zones, and soil, silt, and rock sampling occurred throughout. Drilling of the Road Zone included 15 holes at seven locations, defining a well exposed surface molybdenite showing. Drilling produced 806.30 m of NQ core. All of the drilling was accessed from recently reactivated or newly created roads.

Drilling of the Road Zone covered an area 150m by 120m with a surface showing of silicified to hydrothermally altered syenite. The highest alteration contained chalcopyrite, pyrrhotite, molybdenite, and bornite and was associated with narrow quartz-filled cross fractures.

Michael Miller, B.Sc. reports (2007):

> "Results from the drilling suggest the mineralized body is a bowl-shaped lens, defined by its surface expression. Targeted elements were in low concentrations with only short sections carrying low values (>0.01% Mo) of molybdenum or copper. The results for gold and silver were unremarkable.
>
> Of the holes drilled, eight returned short intervals of low values of molybdenum. The highest values were from hole RS-06-15 with a return of 0.037% Mo over 30 cm. A second section of this hole produced 0.034% Mo over 1.3m. Hole RS-06-12 had a 1.3m section of 0.016% Mo. A few short intersections of 0.3m had >0.01% Mo in other holes, but distribution appears sporadic and in low concentrations."

The results are sub-economic. There are no longer any claims in the area.

19 Mile (RM Rainbow)

This area near Green Lake was explored by CM Armstrong, P.Eng. for Battle Creek Mines Ltd. in 1972. Following staking in early August 1970, work has included:

- general prospecting;
- detailed geological mapping of selected areas containing visibly anomalous copper mineralization;
- Reconnaissance soil sampling; and
- aerial photography of the claim group and strike extensions.

This was followed in 1972 by additional prospecting, mapping, magnetometer and VLF-EM surveys, and soil geochemical surveys.

As with the adjacent Soo property, the claim area covers a portion of a large, variably metamorphosed, geologically complex pendant of volcanic, sedimentary, and possibly intrusive rocks of pre-Jurassic age, encompassed by variable plutonic granitoid rocks dominating the Coast Crystalline Belt, and apparently mainly of upper Jurassic age.

Armstrong reported: “Visually anomalous chalcopyrite mineralization occurs within a broad, several hundred-foot wide zone cut by the west claim location line and extending northerly from Nineteen Mile Creek for roughly 3 claim lengths. A narrow zone of pyrite/chalcopyrite mineralization at station 15 E on line 16 N graded 1.51% Cu over 2 feet, with lower grade values (0.14% Cu) for several feet on either side.

In general, a broad zone of weakly anomalous copper soil values (65 to 130 ppm Cu) extends from line 8 N to 28 N (2000 feet). Within the broad zone of weakly anomalous copper soil values defined by earlier soil sampling, a number of parallel, weak to moderate electrical conductors have been defined.

In the copper-anomalous area there appears to be no obvious correlation between magnetics and zones of either moderately to strongly anomalous copper soil values or weak to moderate electrical conductivity.

Unfortunately, the only significant copper-anomalous area defined to date occurs in a cottage area, Alpine Meadows, currently under development at the base of the mountain.

Because of the proliferation of residential developments in the area, many worthwhile Volcanogenic massive sulphide targets such as the RM/Rainbow prospect have been abandoned and are no longer held under claims.

Northair

Again, the Northair Mine (now closed) is not strictly adjacent to the Soo area, but was the one productive mine in the area. The Warman property discovered by Warshawski, an amateur prospector and Mr. A. H. Manifold, a geologist, was explored and developed by Northair Mines, Ltd., from 1972 to the start of production in 1976. From 1976 to June 1982, Northair Mines milled 345,000 tons yielding 166,582 ounces of gold and 845,854 ounces of silver with by-product production of copper, lead and zinc.

Creation of the Callaghan Creek park has inhibited any further work in that area and has led to the devaluation of the Brandywine properties nearby, including the upper showings on Brandywine Creek.

Mineral Processing and Metallurgical Testing

The Author is unaware of any mineral processing and/or metallurgical testing having been carried out on the Sunset Property.

Mineral Resource and Mineral Reserve Estimates

There are no mineral reserves or mineral resources as the Sunset Property is at a grass roots level of exploration.

Advanced Headings

The following headings are not relevant to this early stage property:

- Mining Operations;
- Processing and Recovery Methods;
- Infrastructure, Permitting and Compliance Activities;
- Capital and Operating Costs; and
- Exploration, Development, and Production.

Other Relevant Data and Information

The Author is not aware of any other information concerning the Sunset Property. As with all of the province, the area may be subject to one or more land claims by First Nations. The company should consult with the local First Nations, which may be the Mt. Curry band. As permits (Notices of Work) now may take a very long to arrange and meet approval, this process should be started immediately.

Interpretation and Conclusions

Work done by the property owners in 2016 and 2017 at the Sunset Property has included prospecting, mapping grid work, soil and rock sampling and a detailed ground magnetic survey. The magnetic survey has defined numerous structural features on the property, and the soil survey confirms the presence of the multi-element Cu-Co-Zn soil anomalies as defined by numerous previous operators.

An isolated magnetic high feature was also defined by the magnetic survey in 2016, in the central area of the project and is bracketed by high copper in soil values, up to 2250 ppm Cu, and lies close to mineralized springs seen exiting the subsurface. Five soil samples from the same area all have greater than 1000 ppm copper, situated near UTM coordinates 5564910N and 502594E.

Copper values in soil over 500 parts per million, when plotted with historical values from assessment reports, show a cluster about 1000 meters by 500 meters in area. Numerous anomalous cobalt value also lie within this area and a smaller cluster of anomalous zinc in soil is also present.

Although the cobalt and zinc anomalies are more subdued, and may be transported to some extent, they provide a focus, particularly as cobalt is a much-sought commodity at present. There is a possibility that a mineralized system occurs at depth on the property, evidenced by the magnetic and geochemical anomalies within volcanic rock units which are known to host mineralization in the area (Northair and Britannia deposits).

Recommendations

The area adjacent to the geochemical and magnetic anomalies will require further field examination, in an initial phase (Phase 1). Induced Polarization (IP) surveys and/or Electromagnetic (EM) surveys are suggested, with the goal of defining chargeability and conductivity anomalies indicative of disseminated sulphides, or conductive bodies that may result from Volcanogenic massive sulphides or disseminated sulphide zones. The definition of drill targets would lead to possible drill testing to determine whether economic mineralization might exist in this area.

A second phase of drilling would be contingent on finding acceptable targets in the first phase. Permitting for such exploration activities should begin immediately as the permitting process may belong.

The Sunset Property is of merit and additional exploration is recommended. The suggested two phases of exploration are outlined on the following page.

Recommended Budget: Phase 1

The following budget was an estimate only. It could be divided into two separate phases, with the diamond drilling contingent on favourable interpretations from geophysical and geological studies.

DESCRIPTION: PHASE 1 PROGRAM	UNITS/RATES	AMOUNT CAN$
Geological supervision	1 man x 30 days	$15,000
Assistant	1 man x 30 days	$9,000
Induced polarization/Mag/VLF surveys	3 men x 20 days	$60,000
Vehicles	3 x $100 X 30 days	$9,000
Food and Lodging	5 men x 30 days	$15,000
Field equipment, supplies rentals		$5,000
Mobilization/demob freight etc.		$5,000
Permits, reclamation		$10,000
Basemap preparation		$5,000
Geological reporting		$15,000
Subtotal		$148,000.00
Contingency		$17,000
PHASE 1 TOTAL		**$165,000**

Recommended Budget: Phase 2 Work

The second phase, contingent on success in the first phase in delimiting targets, would consist primarily of diamond drilling, as estimated below:

DESCRIPTION: PHASE 2 PROGRAM	UNITS/RATES	AMOUNT CAN$
Geological supervision	1 man x 20 days	$12,000
Assistant	1 man x 20 days	$6,000
Vehicles	2 x $100 X 20 days	$4,000
Food and Lodging	6 men x 20 days	$12,000
Field equipment, supplies rentals		$5,000
Diamond drilling	1000 meters x $140/m all in	$140,000
Assays	200 x $75	$15,000
Mobilization/demob freight etc.		$10,000
Geological reporting		$10,000
Subtotal		$214,000
Contingency		$21,000
PHASE 2 TOTAL		**$235,000**

While the Author prepared this estimate with care, he does not guarantee that the program can be completed for the costs estimated above. Budgeting should be reviewed when contracts are let.

RECENT EXPLORATION

Sunset Property

In September of 2018, 708 soil samples were collected on the Sunset Property. This is in addition to the 436 samples which were previously collected by the Company, as well as 938 samples collected by a previous operator, bringing the total number of soil samples collected on the Sunset Property to 2,082. Concurrent with the geochemical sampling, the geologist team prospected and mapped the geological terrain in detail, collecting 68 rock samples and 11 stream sediment samples from across the Sunset Property.

The geochemical sampling program resulted in the extension of the existing cobalt-copper-zinc anomaly to the west. Geological mapping has demonstrated a considerable increase in alteration intensity and sulphide mineralization towards this well-defined anomaly, which is obscured by thick overburden cover in the valley bottom. While prospecting, a new bedrock discovery was made of chalcopyrite-bornite mineralization grading up to 4.3% copper, termed the Roughrider Zone. The discovery of the Roughrider Zone, a strong soil geochemical anomaly and increasing alteration intensity all suggest that Co-Cu-Zn volcanogenic massive sulfide (VMS) style mineralization may be present below thin overburden cover, along the north side of the Soo River Valley.

Highlights were:

- >100ppm cobalt-in-soil anomaly extended to the west of previous sampling, with coincident strongly anomalous copper, zinc
- Chalcopyrite-bornite mineralization grading up to 4.3% copper in a new bedrock discovery
- Geological mapping and geochemical (soil) sampling indicate the presence of Co-Cu-Zn volcanogenic massive sulfide (VMS) style mineralization on the north side of the Soo River, along the valley bottom

Table 1 – Select 2018 Rock Samples from Roughrider Zone

SAMPLE ID	COPPER %
1439370	3.00%
1439371	4.30%

Figure 1 – 2017-2018 Soil Samples – Cobalt (ppm)

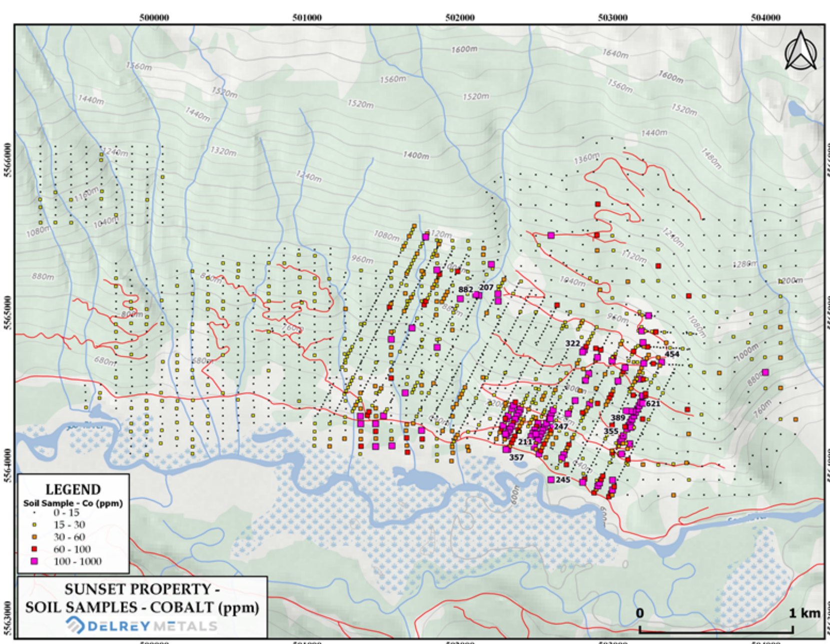


Figure 2 – 2017-2018 Soil Samples – Copper (ppm)

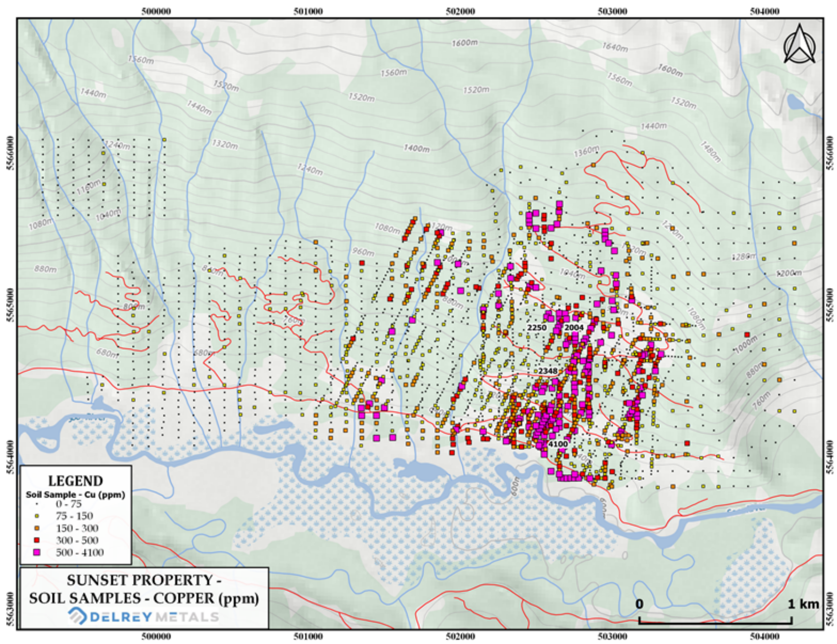
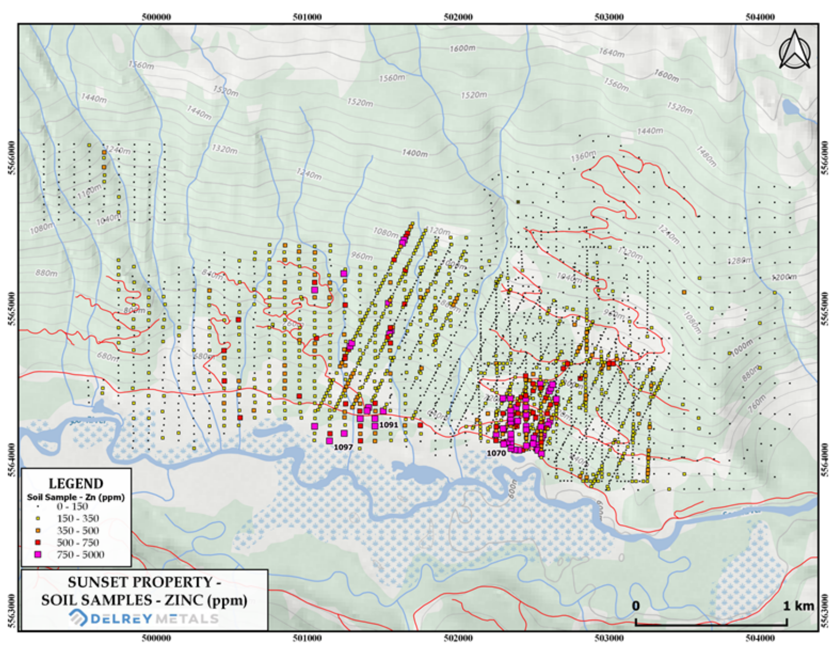


Figure 3 –2017-2018 Soil Samples – Zinc (ppm)



Star-Porcher Properties and Penecee-Blackie Properties

In April 2019, the Company announced that it had completed airborne geophysics across its Porcher, Blackie and Star properties located near Prince Rupert, British Columbia. The results were very encouraging and outline sizeable magnetic anomalies on all three properties. This is highlighted by two, 3km x 2km & 2.7km x 1.8km, magnetic highs located on its wholly-owned Porcher property (Fig. 1), a 11km long northwest-southeast trending magnetic high located on its wholly-owed Star property (Fig. 2), and a 1.5km x 800m magnetic high (up to

68,000nT raw) located on its wholly-owned Blackie property (Fig. 3). A historic 2.14% V_20_5 bedrock sample from the Blackie is believed to be coincident with the newly mapped geophysical anomaly (McDougall, 1984).[1]

The three surveys were completed by Ridgeline Exploration Services Inc. out of Kelowna, B.C., and were flown in a systematic low-level grid pattern at 150-m line spacing. The average terrain clearance was 75m across all surveys and a total of 1,105.55 line-km (Porcher: 472.48 line-km; Star: 457.48 line-km; Blackie: 175.59 line-km) were flown.

Based on results from the surveys, the Company increased to size of the Porcher property from 3,122.16 to 3,525.46-hectares, and the Star property from 3,646.8 to 4,618.3-hectares to fully encompass the newly discovered magnetic anomalies. The results from the surveys will be used in helping the Company's technical team plan a Phase II work program, which will include prospecting, mapping and rock sampling over the geophysical anomalies.

FIG. 1

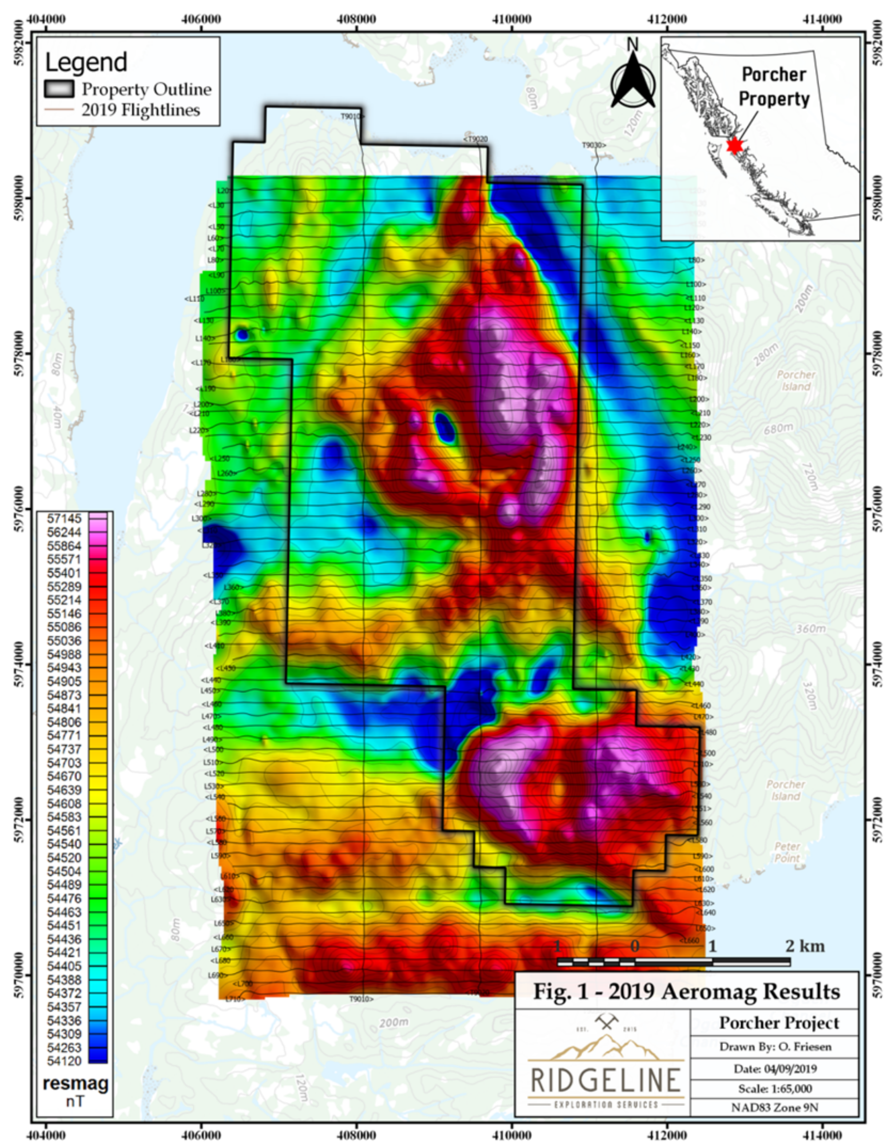


FIG. 2

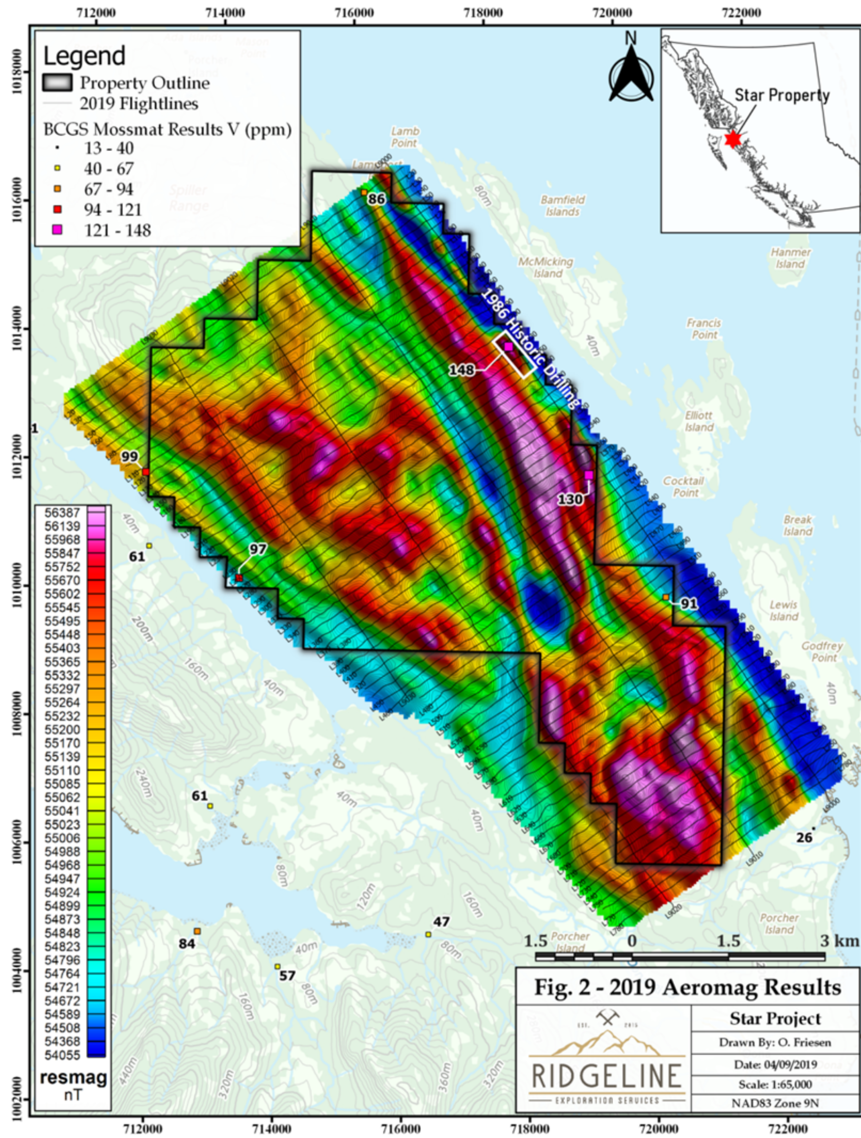
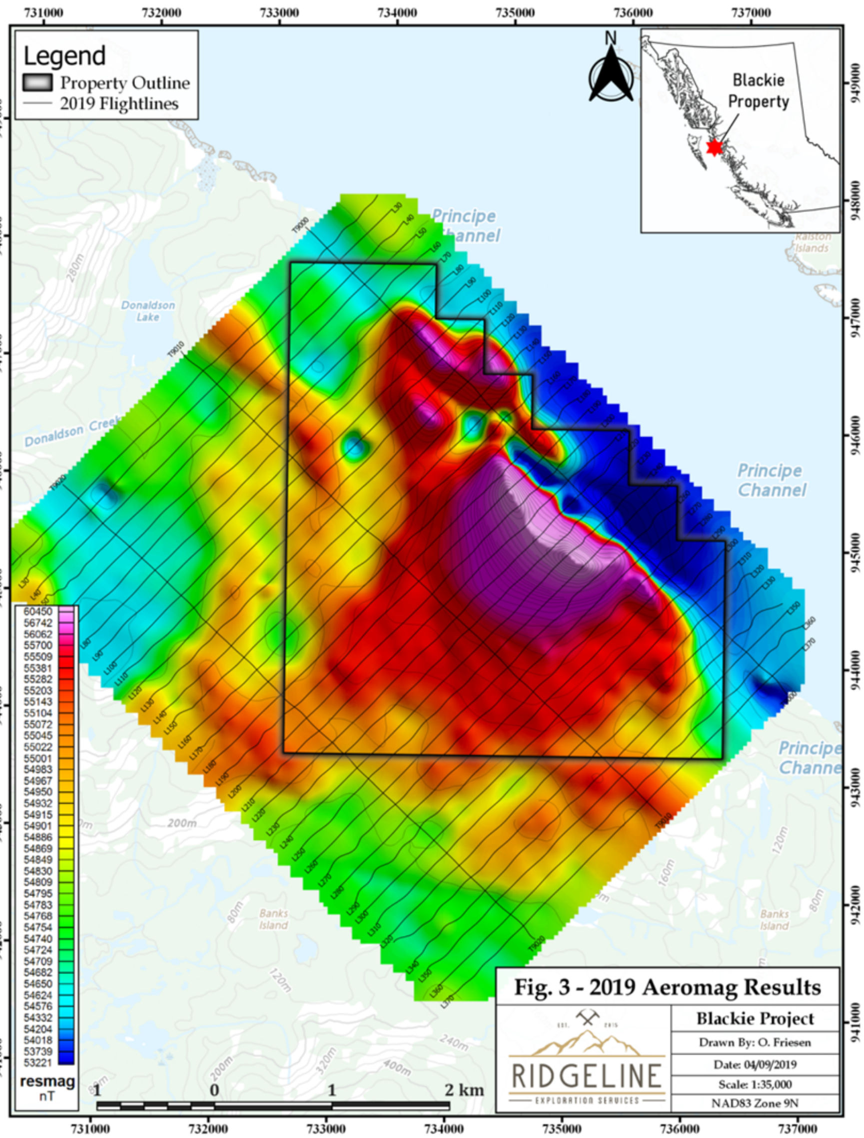

Legend
Property Outline
2019 Flightlines
BCGS Mossmat Results V (ppm)
13 - 40
40 - 67
67 - 94
94 - 121
121 - 148
Star Property
1986 Historic Drilling
Fig. 2 - 2019 Aeromag Results
Star Project
Drawn By: O. Friesen
Date: 04/09/2019
Scale: 1:65,000
NAD83 Zone 9N
RIDGELINE
EXPLORATION SERVICES
resmag
nT
1.5 0 1.5 3 km

FIG. 3



On May 16, 2019, the Company announced the results from a Phase II prospecting program recently completed on its wholly-owned Star, Porcher and Blackie properties located along tide-water near Prince Rupert, British Columbia. A total of 125 rock samples were collected by the Company's personnel from the three properties (Porcher - 61, Star - 43, Blackie - 21) with assays returning as high as 0.513% V_20_5 (49.3% Fe, 4.01% Ti). Prospecting focused on the strongest magnetic anomalies that were mapped during the Phase I airborne magnetic surveys, and in all cases ground truthing confirmed that these anomalies are caused by variably mineralized vanadium-rich titaniferous magnetite. The Company is very encouraged by the consistency of V_20_5, titanium and iron enrichment identified by the Phase II work program on all three properties and has submitted five-year area-based permit applications which will allow the Company to establish up to 40 drill sites on the Blackie, Porcher and Star properties.

Blackie Highlights:

- Selective outcrop sample results up to 0.513% V_2O_5, with 5 of the 21 samples returning >0.30% V_2O_5, and 21 of the 22 samples returning >0.10% V_2O_5 (Fig. 1).[1]

- Strong V_2O_5 enrichment was mapped over an approximately 800m x 300m area centered on the magnetic anomaly identified by the Phase I survey.

Porcher Highlights:

- Selective outcrop sample results up to 0.422% V_2O_5, with 11 of 61 rock samples returning >0.20% V_2O_5 along a strike length of 1 km (Fig 2).[1]

- An approximately 2.8km x 1.8km strong magnetic anomaly remains to be ground truthed in the southern portion of the property (see news release dated April 15, 2019).

Star Highlights:

- Assay results are highlighted by 11 of the 43 selective outcrop samples returning >47% Fe (up to 61.2%) from exposed northwest-southeast oriented semi-massive to massive magnetite outcrops along a strike length of approximately 4.7km.[1]

- V_2O_5 enrichment in massive magnetite samples returned as high as 0.10% V_2O_5.

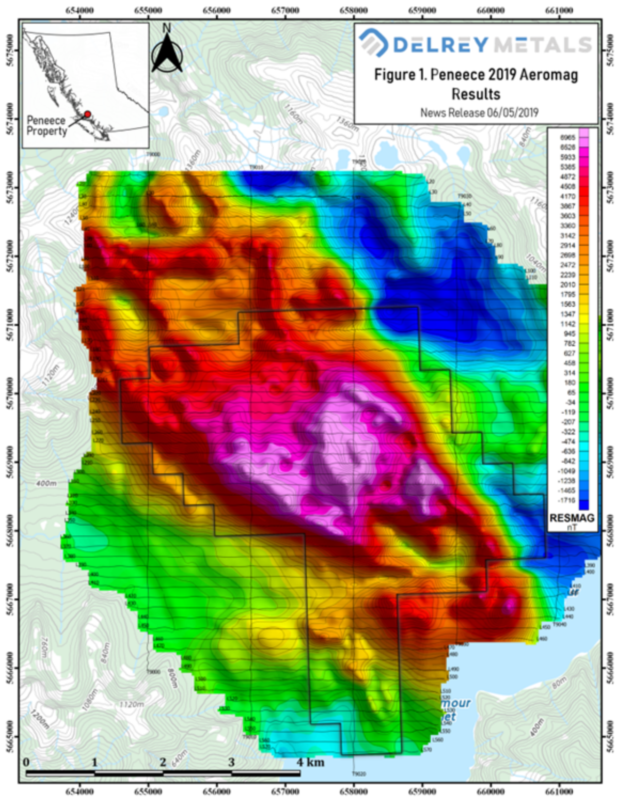
- Strong V-in-stream sediment results ranging from a low of 447 ppm up to 637 ppm V_2O_5, suggest higher V_2O_5 concentrations in bedrock may occur elsewhere on the property below forest cover.

[1]*Grab samples are selective in nature and not necessarily representative of the mineralization hosted on the property.*

Peneece Phase I Geophysical Results

On June 5, 2019, the Company announced that it had completed a Phase I airborne geophysics survey across the Peneece property located near Port Hardy, British Columbia. The results were very encouraging and outline a sizeable, ~4.5km x ~3.5km, strong northwest-southeast trending magnetic anomaly, approximately 7,000nT in amplitude (Fig. 1). The survey was completed by Ridgeline Exploration Services Inc. out of Kelowna, British Columbia, and was flown in a systematic low-level grid pattern at 150m line spacing. The average terrain clearance was 75m across the entire survey area and a total of 402 line-km were flown.

FIG. 1



Based on the results from the survey, the Company increased the size of the Peneece property by 482.9-hectares to 1.983.3-hectares, to fully encompass the newly discovered strong magnetic anomaly. The results from the survey will be used in helping the Company's technical team plan a Phase II work program, which will include prospecting, mapping and rock sampling over the geophysical anomalies.

The Four Corners Project

By News Release dated May 28, 2019, the Company reported lithium metaborate fusion and ICP-MS with 4-acid digestion assay results for nine drill core samples from the 2010 and 2011 drilling programs on the Four Corners Project. The lithium metaborate fusion assay method allows for a more complete digestion of certain mineral species versus the four acid-digestion method which has been used to assay all historic drill core samples processed on the project to date.

For the nine samples collected by the Company's technical team during a recent visit to the Four Corners Project, the lithium metaborate fusion results were consistently higher versus the ICP-MS with four acid-digestion method, with the fusion assays returning on average 21% higher V_20_5 (ranging from a 14% to 28% increase). Lithium metaborate fusion for vanadium will be the preferred assay technique used on all drill core for the planned 2019 drill program, and the Company is considering complete re-assay of select historic drill holes in advance of this program.

Highlights

- The lithium metaborate fusion assay method in all cases increased V_20_5 recovery over ICP-MS with four acid-digestion ranging from a 14% to 28% increase.

- Iron results from the check assay selective sample suite ranged from 19.16% Fe_20_3 up to 48.61% Fe_20_3 with an average grade of 35.07% Fe_20_3.

- Titanium results from the check assay selective sample suite ranged from 5.09% $Ti0_2$ up to 14.50% $Ti0_2$ with an average grade of 10.28% $Ti0_2$.

- Vanadium results from the check assay selective sample suite ranged from 0.10% V_20_5 up to 0.32% V_20_5 with an average grade of 0.22% V_20_5.

- Two selective roadcut outcrop rock samples from the Keating Hill East Zone collected by the Company's qualified person, Scott Dorion, during the Four Corners Project site visit ran 43.75% and 44.03% $Fe_20_{3,}$ 13.75% and 11.98% $Ti0_2$, and 0.32% and 0.30% V_20_5 respectively.[1]

[1] *Grab samples are selective in nature and not necessarily representative of the mineralization hosted on the property.*

The Company also completed an in depth review of the 2012 SRK Consulting (Canada) Inc., and ALS Ammtec magnetic characterisation and metallurgical report completed on the Four Corners Project 2010 drill core, in light of the recent surge of iron ore prices above 100$USD/tonne. The review was conducted in order to gain a better understanding of all possible saleable products from Keating Hill East Zone titanomagnetite samples. Utilizing Standard Davis Tube assay methods, the composite sample assayed 29.1% Fe, 9.80% $Ti0_2$, and 0.23% V_20_5, with the magnetic concentrate returning an impressive 63.10% Fe and 0.64% V_20_5, indicating a strong fractionation of iron (~70% recovery) and vanadium (>90% recovery) into the magnetic concentrate. Based on recommendations by the report will complete additional metallurgical optimization as well as preliminary market studies of potential iron, vanadium, and titanium products which could be produced.

In June 2019, the Company provided a corporate update regarding 2019 exploration activities on the Four Corners Project, the highlights of which included:

- The Company will complete up to 5,000m of drilling over a proposed 20 drill holes, and 1,600m of trenches on the Four Corners Project during the 2019 exploration season, with work focusing on the Keating Hill East, Four Corners, and Bullseye Zones.

- 2019 drilling designed to complete infill and step out drill targets as necessary to advance project towards a maiden NI 43-101 resource calculation.

- 2012 initial SRK Consulting (Canada) Inc.'s metallurgical results returned a magnetic concentrate grading 63.10% Fe, and 0.643% $V_20_{5,}$ as well as a low intensity magnetic concentrate returning an impressive 26.80% $Ti0_2$, at an 80% recovery.

On July 9, 2019, the Company announced that it had received authorization from the Newfoundland and Labrador Department of Natural Resources to establish up to 20 drill sites and 4 trenches on the Four Corners Property. The Company's personnel will be staying at an existing camp located within 15km of the property's road accessible Keating Hill East Zone, the focus of the 2019 drilling campaign, which will allow the Company to maintain low cost highway access for the duration of the program which is expected to be approximately 6-8 weeks long.

On July 16, 2019, the Company announced its plans for a 2019 drill program on the Four Corners Project, which will consist of plans to drill a total of 5000m from 20 drill pads at its flagship Keating Hill East Zone, which is designed to test over 3.5km of strike length. The holes will be drilled at a spacing of roughly 300m along strike between fence lines, with two vertical drill holes per fence-line, located roughly 150m apart. The Company will also be conducting follow up prospecting and sampling on its Bullseye, Four Corners, Keating Hill West, and newly discovered Keating Hill North Zones, with plans for late season drilling on the most promising targets identified.

The Company engaged Dr. Luke Longridge, P.Geo., of CSA Global Canada Consultants Ltd. ("**CSA Global**"), to provide exploration advice ahead of the 2019 drill program at the Four Corners Project. The drill plan is designed to generate a maiden resource estimate on the 3.5km Keating Hill East Zone by the winter of 2019. Dr. Longridge has extensive experience working on vanadiferous, titaniferous magnetite projects in South Africa and Canada. CSA Global is a leading mining, geological, technology and management consulting company with international offices spread across the Americas, Australia, Africa, Asia, and Europe.

Additionally, the Company has awarded the 2019 Four Corners drilling contract to Logan Drilling Group International, based out of Stewiacke, Nova Scotia. The program will utilize a skid-mounted Multi-Power Discovery II core drill, capable of drilling depths of up to 1000m. Logan Drilling maintains a very high standard for quality, performance and safety, both in Newfoundland and Labrador as well as abroad.

4.4 Companies with Oil and Gas Operations

The Company does not have oil and gas operations.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Consolidated Financial Information - Annual Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Company and related notes thereto appearing elsewhere in this Listing Statement. The selected financial information is derived from the audited financial statements for the Company for the year ended February 28, 2019, and can be found by accessing the Company's public documents filed on SEDAR at http://www.sedar.com/. This information should only be read in conjunction with the audited financial statements, and accompanying notes, included on SEDAR and elsewhere in this Listing Statement.

	For the Year Ended February 28 (audited)		
Operating Data:	**2019**	**2018[1]**	**2017**
Total Revenue	$Nil	$Nil	N/A
Income (Loss) From Operations (before tax)	$(3,099,707)	$(19,483)	N/A
Net Income (Loss) for the period	$(3,099,707)	$(19,483)	N/A
Income (Loss) per share – Basic and diluted	$(0.16)	$(0.01)	N/A
Cash Dividends	$Nil	$Nil	N/A
Balance Sheet Data:			N/A
Total Assets	$2,873,694	$606,453	N/A
Total Liabilities	$377,526	$9,125	N/A
Shareholders' Equity (deficit)	$2,496,168	$597,328	N/A

(1) Period from incorporation on October 18, 2017 to February 28, 2018.

5.2 Consolidated Financial Information – Quarterly Information

The following is a summary of the Issuer's financial results since incorporation on October 18, 2017:

	May 31, 2019	February 28, 2019	November 30, 2018	August 31, 2018
Total Assets	$ 2,460,292	$ 2,873,694	$ 1,849,823	$ 798,928
Shareholders' equity	2,107,789	2,496,168	1,846,673	780,665
Revenue	-	-	-	-
Comprehensive Loss	(708,641)	(2,349,967)	(613,067)	(57,015)
Basic and diluted loss per share	(0.02)	(0.07)	(0.03)	(0.00)

	May 31, 2018	February 28, 2018	October 18, 2017 to November 30, 2017
Total Assets	$ 601,508	$ 606,453	$ 112,538
Shareholders' equity	567,670	597,328	112,338
Revenue	-	-	-
Comprehensive Loss	(79,658)	(19,321)	(162)
Basic and diluted loss per share	(0.01)	(0.00)	(162.00)

5.3 Dividends

The Company does not have a dividend policy and does not pay dividends to its shareholders.

5.4 Foreign Generally Accepted Accounting Principles (GAAP)

Section 5.4 is not applicable to the Company.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of our financial statements for the year ended February 28, 2019 are incorporated into this Listing Statement attached hereto as Schedule C.

7. MARKET FOR SECURITIES

The Company's Shares are listed for trading on the Exchange under the symbol "DLRY".

8. CONSOLIDATED CAPITALIZATION

The following table summarizes the changes in the Company's capitalization as if the date of this Listing Statement. The table should be read in conjunction with the audited financial statements of the Company, attached hereto as Schedule B.

Designation of Security	Number of Authorized	Number of Shares Issued and Outstanding
Common shares	Unlimited number without par value	35,526,605[(1)]

(1) Does not include Shares reserved for issuance pursuant to outstanding warrants or options.

9. OPTIONS TO PURCHASE SECURITIES

The following stock options are currently outstanding as at July ◆, 2019:

	Total Number of Options	Exercise Price ($)	Current Market Value ($)	Expiry Date
All current and former executive officers	200,000 100,000	0.25 0.25	Nil Nil	October 29, 2023 March 25, 2024
All current and former directors	400,000	0.25	Nil	October 29, 2023
All current and former employees/consultants	1,763,000 400,000	0.25 0.25	Nil Nil	October 29, 2023 March 21, 2024

10. DESCRIPTION OF THE SECURITIES

10.1 Description of the Company's Securities

The Company is authorized to issue an unlimited number of Shares without par value. As at the date of this Listing Statement there are 35,526,605 Shares issued and outstanding as fully paid and non-assessable.

The holders of Shares are entitled to dividends if, as and when declared by the Board. The holders of the Shares are also entitled to one vote per common share at meetings of the shareholders and, upon liquidation, to share equally in such assets of the Company as are distributable to the holders of Shares.

In the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or other distribution of assets or property of the Company amongst its Shareholders for the purpose of winding up its affairs, Shareholders shall be entitled to receive all property and assets of the Company properly distributable to the Shareholders.

The holders of the Shares shall be entitled to vote at all meetings of the Shareholders of the Company and at all such meetings each such holder has one (1) vote for each Common Share held.

There are no pre-emptive rights, no conversion or exchange rights, no redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital.

10.2 – 10.6 Miscellaneous Securities Provisions

None of the matters set out in sections 10.2 to 10.6 of CSE Form 2A are applicable to the share structure of the Company.

10.7 Prior Sales of Common Shares

The following table summarizes the sales of securities of the Company since incorporation.

Issue Date	Price Per Common Share	Number of Common Shares Issued	Proceeds to the Company
October 18, 2017	$0.01	1	$0.01
December 8, 2017	$0.01	4,250,000	$42,500
February 16, 2018	$0.075	7,866,000	$589,950

Issue Date	Price Per Common Share	Number of Common Shares Issued	Proceeds to the Company
April 1, 2018	$0.075 (deemed)	666,667	N/A Under Option Agreement (deemed price of $0.075 per Share)
October 23, 2018	$0.075	3,600,000	$270,000
October 23, 2018	$0.20	7,500,000	$1,500,000
December 6, 2018	$0.36	5,500,000	$1,980,000
December 12, 2018	$0.245	4,250,000	$1,041,250
December 12, 2018	$0.20	93,937	$18,787
May 17, 2019	$0.17	1,200,000	$204,000
June 18, 2019	$0.13	600,000	$78,000
	TOTAL	**35,526,605**	**$5,724,487.01**

10.8 <u>Stock Exchange Price</u>

The following table lists the high, low, close and volume of the Company's Shares trading on the Exchange since October 22, 2018, the date the Company's shares were listed for trading on the Exchange:

Date	High $	Low $	Close $	Volume
July 1 – July ◆, 2019	0.105	0.08	0.09	831,168
June 2019	0.16	0.10	0.105	2,256,575
Quarter ended May 31, 2019	0.24	0.12	0.15	10,382,487
Quarter ended February 28, 2019	0.375	0.185	0.23	4,534,068
Quarter ended November 30, 2018	0.395	0.28	0.32	305,708
October 18 – October 31, 2018	0.325	0.205	0.285	810,668

11. ESCROWED SECURITIES

11.1 <u>Escrowed Securities</u>

The following table sets out the number and class of securities of the Company held in escrow, to the knowledge of the Company, and the percentage that number represents of the outstanding securities of that class as at June 30, 2019:

Designation of Class of Securities Held in Escrow	Number of Securities Held in Escrow	Percentage of Class
Shares	3,975,000	11.2%

The foregoing shares are held in escrow under an escrow agreement dated April 29, 2018.

12. PRINCIPAL SHAREHOLDERS

12.1 Principal Shareholders

To the knowledge of the directors and senior officers of the Company, no person or company will beneficially own, directly or indirectly, or exercise control or direction over, shares of the Company carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

13. DIRECTORS AND OFFICERS

13.1 – 13.5 Directors and Officers

The following table sets out the names, municipalities of residence, the number of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, the offices held in the Company and the principal occupation of the directors and senior officers during the past five years:

Name & Municipality of Residence and Position(1)	Present Occupation and Positions Held During the Last Five Years(1)	Period served as Director/ Officer and when his/her term with the Company will expire	Number of Shares of the Company Beneficially Held(2)	Percentage of Issued and Outstanding Shares of the Company
Morgan Good(3) Vancouver, BC *CEO, President and Director*	Venture capitalist with more than 15 years of experience as a stock market professional. Founded Patriot Capital Corporation in early 2013 to invest in both private and public companies.	Director and Officer since October 18, 2017	1,801,001(4)	5.07%
Michael Blady(3) Vancouver, BC *Director*	Principal of Ridgeline Exploration Services Ltd. and independent businessman.	Director since October 18, 2017	1,837,500	5.17%
Leighton Bocking(3) Coquitlam, BC *Director*	Independent corporate development consultant; Manager of Corporate Development at Gold Standard Ventures Corp. from October, 2014 to November, 2015; corporate development at Timmins Gold Corp. from March, 2008 to July, 2013	Director since October 18, 2017	500,000(5)	1.41%

Name & Municipality of Residence and Position[(1)]	Present Occupation and Positions Held During the Last Five Years[(1)]	Period served as Director/ Officer and when his/her term with the Company will expire	Number of Shares of the Company Beneficially Held[(2)]	Percentage of Issued and Outstanding Shares of the Company
Alastair Brownlow Vancouver, BC *CFO*	Chartered Professional Accountant and a U.S. Certified Public Accountant (Washington); Manager of Red Fern Consulting Ltd.	CFO since November 22, 2018	Nil	N/A
Donna M. Moroney Vancouver, BC *Corporate Secretary*	President and owner of Wiklow Corporate Services Inc.	Corporate Secretary since November 22, 2018	Nil	N/A

(1) The information as to province or state and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors and officers individually.
(2) The information as to shares beneficially owned or over which a director or officer exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors and officers individually.
(3) Member of the Audit Committee.
(4) Consists of 381,501 Shares held directly and 1,419,500 Shares indirectly held through Patriot Capital Corporation, a private company controlled by Morgan Good.
(5) 500,000 Shares are owned by Bocking Financial Corp. is a company owned and controlled by Leighton Bocking.

13.4 Committees

The Company has an audit committee that is comprised of three members consisting of Morgan Good, Michael Blady and Leighton Bocking. Michael Blady and Leighton Bocking are independent members of the audit committee and Morgan Good is not independent as he serves as CEO of the Company.

13.6 Corporate Cease Trade Orders or Bankruptcies

No director of the Company is, or within the ten years before the date of this Listing Statement has been, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director of the Company is, or within ten years before the date of this Listing Statement, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7, 13.8 Penalties or Sanctions

No director of the Company has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

13.9 Personal Bankruptcies

No proposed director of the Company has, or within ten years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcies or insolvency, or become subject to or instituted proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

13.10 Conflicts of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Company also holding positions as directors or officers of other companies. Some of the individuals who will be directors and officers of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Company will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under BCBCA.

As of the date of this Listing Statement, Michael Blady is both an Optionor under the Option Agreement and a director of the Company. Pursuant the terms of the Option Agreement, the Optionors have granted the Option to the Company to acquire a 100% interest in the Sunset Property, plus a 2km area of influence measured from the outside of boundary of the Sunset Property, but not including any mineral claims already held by third parties. To exercise the Option, the Company has agreed to pay the Optionors a cash payment of $15,000 (paid), to issue 666,667 Shares (issued) and incur an aggregate minimum of $1,000,000 in exploration by June 30, 2020 ($100,000 by September 30, 2018; $200,000 by June 30, 2019; and $700,000 by June 30, 2020). Mr. Blady, along with Christopher Paul, will retain a 2% NSR Royalty on the Sunset Property following the exercise of the Option. The Company will have the right to purchase one percentage point of this royalty for $1,000,000 any time prior to the commencement of commercial production on the Sunset Property. When authorizing and ratifying the entry into the Option Agreement, and the consideration payable thereunder, Mr. Blady disclosed his interest to the Board, abstained from voting thereon, and delivered a notice of disclosure which was attached to the directors' resolution approving and ratifying such matters.

13.11 Management

Morgan Good, age 36, CEO, President, Director and Promoter

Mr. Good is a venture capitalist with 15 years of experience as a stock market professional focusing in areas of finance, corporate development and investor relations. Mr. Good served as President and director of Secova Metals Corp., a Vancouver based mining exploration company listed on the TSXV, from August 2015 to November 2017. He also served as officer and Vice President Business Development of Golden Hope Mines Ltd., a TSXV listed mining exploration company, from August 2016 to January 2017. Mr. Good served CEO and director of Ignite International Brands, Ltd. (formerly ALQ Gold Corp.), a company listed on the Exchange, from August 2017 until January 2019. Mr. Good is also CEO and a director of December 33 Capital Inc. and a director of Lightning Ventures Inc.

Mr. Good expects to devote 25% of his working hours to the affairs of the Company to fulfil his role as CEO, President and director as necessary.

Michael Blady, age 35, Director

Mr. Blady has served as senior management, director, and member of the audit committees for several publicly listed companies. From December 2012 to September 2016, Mr. Blady served as director of Tiller Resources Ltd., a company listed on the TSXV. From April 2014 to February 2016, Mr. Blady was CEO and director of Greenock Resources Inc., a company listed on the TSXV. Mr. Blady also has served as director of Royal Sapphire Corp. from May 2014 until March 2015. From May 2016 to February 2017, Mr. Blady served as CEO and director of Natan Resources Ltd. From September 2016 to May 2017, Mr. Blady served as director of Invictus MD Strategies Corp. Mr. Blady is currently an officer and director of Greentec Holdings Ltd., a private company, and CEO and director of Golden Ridge Resources Ltd.

Mr. Blady expects to devote 15% of his working hours to the affairs of the Company to fulfil his role as a director.

Leighton Bocking, age 37, Director

Mr. Bocking has been working in the capital markets for approximately 15 years. He is currently an independent corporate development consultant. Mr. Bocking served as director of Patriot One Technologies Inc., a TSXV listed company, from April 2016 to November 2016 and is currently a director of December 33 Capital Inc.

Mr. Bocking expects to devote 10% of his working hours to the affairs of the Company to fulfil his role as a director.

Alastair Brownlow, age ◆, CFO

Alastair Brownlow is a Chartered Professional Accountant and a U.S. Certified Public Accountant (Washington) with significant public company experience who has specialized in the mineral exploration and development field in Canada and throughout the world. Mr. Brownlow also previously worked as an auditor in the British Virgin Islands specializing in financial and regulatory reporting of public and private fund and trust companies. Prior to this, Mr. Brownlow worked for a Canadian chartered accountant firm where he specialized in the mining industry, gaining significant accounting experience auditing mineral exploration and development companies in Canada and throughout the world. Presently, he is CFO Carl Data Solutions, Inc., CFO and Corporate Secretary of Troubadour Resources, Inc., CFO of Engold Mines Ltd. and CFO of Fengro Industries Corp. Mr. Brownlow is also Manager of Red Fern Consulting Ltd.

Mr. Brownlow expects to devote 10% of his working hours to the affairs of the Company to fulfil his role as CFO as necessary.

Donna M. Moroney , age 59, Corporate Secretary

Ms. Moroney has over 30 years of experience in regulatory and corporate compliance in both Canada and the United States, and as a senior officer of various public companies. As President of Wiklow Corporate Services Inc., she assists companies in the resource, financial and technology sectors in maintaining the securities and exchange demands on public companies, as well as keeping them up-to-date on relevant issues, policies and working practices. Ms. Moroney also assists companies reporting in the US in preparing registration statements, quarterly and annual financial filings and other various facets of meeting US securities requirements. Ms. Moroney also leads seminars that provide a practical guide for public companies in meeting their securities regulatory compliance requirements. She serves as a director and/or senior officer for five other public companies.

Ms. Moroney expects to devote 10% of her working hours to the affairs of the Company to fulfil his role as Corporate Secretary as necessary.

14. CAPITALIZATION

14.1 Issued Capital

As at the date of this Listing Statement, the share capital of the Company on a non-diluted and fully-diluted basis will be as follows:

Issued Capital	**Number of Securities (non-diluted)**	**Number of Securities (fully-diluted)**	**% (non-diluted)**	**% (fully diluted)**
Public Float				
Total Outstanding **(A)**	35,206,605	38,650,668	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) **(B)**	10,138,501	10,838,501	28.8%	28.0%
Total Public Float **(A-B)**	25,068,104	27,812,167	71.2%	72.0%
Freely Tradable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders **(C)**	5,175,000	5,175,000	14.7%	13.4%
Total Tradable Float **(A-C)**	19,893,104	22,637,167	56.6%	58.6%

*Figures are reported to the best of the knowledge of management of the Company.

Public Securityholders (Registered)

For the purposes of this table, "public securityholders" does not include persons enumerated in section (B) the *Issued Capital* table above:

Common Shares		
Size of Holdings	**Number of Holders**	**Total number of securities**
1 – 99 securities	-	Nil
100 – 499 securities	-	Nil
500 – 999 securities	2	1,000
1,000 – 1,999 securities	-	Nil
2,000 – 2,999 securities	-	Nil
3,000 – 3,999 securities	-	Nil
4,000 – 4,999 securities	-	Nil
5,000 or more securities	5	3,687,500
TOTAL	**7**	**3,688,500**

*Information determined to the best of the Company's knowledge from information provided by its registrar and transfer agent.

Public Securityholders (Beneficial)

For the purposes of this table, "public securityholders" does not include persons enumerated in section (B) the *Issued Capital* table above:

Common Shares		
Size of Holdings	**Number of Holders**	**Total number of securities**
1 – 99 securities	-	Nil
100 – 499 securities	-	Nil
500 – 999 securities	6	3,030
1,000 – 1,999 securities	6	7,900
2,000 – 2,999 securities	7	15,250
3,000 – 3,999 securities	4	12,500
4,000 – 4,999 securities	8	33,000
5,000 or more securities	112	6,319,953
TOTAL	**143**	**6,391,633**

*Information determined to the best of the Company's knowledge from information provided by its registrar and transfer agent and from previously obtained information from Broadridge.

Non-Public Securityholders (Registered and Beneficial)

For the purposes of this chart, “non-public securityholders” are persons enumerated under (B) in the *Issued Capital* table above.

Common Shares

Size of Holdings	**Number of Holders**	**Total number of securities**
1 – 99 securities	-	Nil
100 – 499 securities	-	Nil
500 – 999 securities	-	Nil
1,000 – 1,999 securities	-	Nil
2,000 – 2,999 securities	-	Nil
3,000 – 3,999 securities	-	Nil
4,000 – 4,999 securities	-	Nil
5,000 or more securities	7	9,799,168
TOTAL	**7**	**9,799,168**

14.2 Convertible / Exchangeable Securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	**Number of convertible / exchangeable securities outstanding**	**Number of listed securities issuable upon conversion / exercise**
Agent’s options exercisable @ $0.20 on or before October 23, 2020	581,063	581,063
Stock options exercisable @ $0.25 on or before October 29, 2023	2,363,000	2,363,000
Stock options exercisable @ $0.25 – March 21, 2024	400,000	400,000
Stock Options exercisable @ $0.25 – March 24, 2024	100,000	100,000

14.3 Other Listed Securities

The Company has no other listed securities reserved for issuance that are not included in section 14.1 or 14.2.

15. EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The executive compensation discussion below discloses compensation paid to the following individuals:

(a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;

(b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with Section 1.3(5) of Form 51-102F6V under National Instrument 51-102 – Continuous Disclosure Obligations, for that financial year; and

(d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, as at the end of the most recently completed financial year,

(each, a "**Named Executive Officer**").

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board.

The Company's executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account.

As of the date of this Circular, the Company's directors have not established any benchmark or performance goals to be achieved or met by the Named Executive Officers, however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Company. The satisfactory discharge of such duties is subject to ongoing monitoring by the Company's directors.

Payments may be 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 Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

The goal of the Company's executive compensation philosophy is to attract, motivate, retain and reward an energetic, goal driven, highly qualified and experienced management team and to encourage them to meet and exceed performance expectations within a calculated risk framework. The Board has not considered the implications of the risk associated with the Company's compensation policies and practices. The compensation program is designed to reward each executive based on individual, business and corporate performance and is also designed to incent such executives to drive the annual and long-term business goals of the organization.

Under the Company's compensation policies and practices, Named Executive Officers and directors are not prevented from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

However, the Board does not believe that the Company's compensation policies and practices encourage executive officers to take unnecessary or excessive risk.

For executive officers who are offered compensation, such compensation will primarily and initially be comprised of a base salary or consulting fees, as applicable, and later stock options to purchase Shares. Manner and amount of compensation of the Named Executive Officers is reviewed, recommended and approved by the Board from time to time. Currently none of the Named Executive Officers has entered into a consulting or employment agreement with the Company. The Board believes that at the current stage of operations, a monthly fixed sum to such persons is not warranted. Instead, the Board has agreed to pay periodic payments to such persons as and when circumstances warrant depending upon the time and efforts required. At this stage, the Board has not made any decision in terms of when any formalized agreement will be entered into with the Named Executive Officers and what level of compensation will be payable thereunder.

Option-Based Awards

The Board believes that stock options are to be granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. The Board intends to grant stock options in the future as operations of the Company increase.

Summary Compensation Table

During the year ended February 28, 2019, the Company had three Named Executive Officers (as defined in National Instrument 51-102), namely Morgan Good, the CEO, Alastair Brownlow, CFO, and Ming Jang, the former CFO.

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

Name and Principal Position	Year Ended	Salary ($)	Share-based Awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation		Pension Value ($)	All Other Compen-sation ($)	Total Compen-sation ($)
					Annual Incentive Plans	Long-Term Incentive Plans			
Morgan Good President and CEO	2019 2018 2017	◆ Nil Nil	Nil Nil Nil	◆ Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	◆ $7,500(1) Nil	◆ $7,500 Nil
Ming Jang(3) Former CFO	2019 2018 2017	◆ Nil Nil	Nil Nil Nil	◆ Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	◆ $7,500(1) Nil	◆ $7,500 Nil
Alastair Brownlow(4) CFO	2019 2018 2017	◆ Nil Nil	Nil Nil	◆ Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	◆ Nil Nil	◆ Nil Nil

(1) *Morgan Good received $7,500 as a one-time discretional consulting fee for services rendered to the Company.*
(2) *Ming Jang received $7,500 as a one-time discretional consulting fee for services rendered to the Company.*
(3) *Ming Jang resigned as CFO on November 22, 2018.*
(4) *Alastair Brownlow was appointed as CFO on November 22, 2018.*

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all option-based and share-based awards outstanding for each Named Executive Officers as at February 28, 2018:

Name and Position	Securities Under Options Granted (#)	% of Total Options Granted	Exercise or Base Price ($/Security)	Market Value of Securities Underlying Options/SARs on the Date of Grant ($/Security)	Expiration Date
Morgan Good President and CEO	200,000	6.99%	$0.25	N/A	October 28, 2023
Ming Jang Former CFO	Nil	N/A	N/A	N/A	N/A
Alastair Brownlow CFO	Nil	N/A	N/A	N/A	N/A

Termination of Employment, Change of Control Benefits and Employment Contracts

There are no employment contracts or arrangements in existence between the Company and any Named Executive Officer, director or officer of the Company. There is no arrangement or agreement made between the Company and any of its Named Executive Officers pursuant to which a payment or other benefit is to be made or given by way of compensation in the event of that officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in the Named Executive Officer's responsibilities following such a change of control.

Directors' Compensation

The only arrangements the Company has pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, are by the issuance of incentive stock options pursuant to the Company's Stock Option Plan. The purpose of granting such options is to assist the Company in compensating, attracting, retaining, and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

Director Compensation Table

The following table sets forth the value of all compensation provided to directors, not including those directors who are also Named Executive Officers, for the Company's period ended February 28, 2019:

Name	Fees Earned ($)	Share-based Awards ($)	Option-based Awards (#)	Non-equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Michael Blady	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Leighton Bocking	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all option-based and share-based awards outstanding for each director, who was not a Named Executive Officer as of February 28, 2019:

Name and Position	Securities Under Options Granted (#)	% of Total Options Granted	Exercise or Base Price ($/Security)	Market Value of Securities Underlying Options/SARs on the Date of Grant ($/Security)	Expiration Date
Michael Blady	200,000	6.99%	$0.25	N/A	October 28, 2023
Leighton Bocking	200,000	6.99%	$0.25	N/A	October 28, 2023

Employment, Consulting and Management Agreements

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

Oversight and Description of Director and NEO Compensation

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

The Company's board of directors has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the board of directors. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the board of directors without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

Pension Plan Benefits

The Company has no pension, defined benefit or defined contribution plans in place.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company, or person who acted in such capacity in the last financial year, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

17. RISK FACTORS

17.1 Description of Risk Factors

An investment in the Shares is considered to be speculative due to the nature of the Company's business and the present stage of its development. The following risk factors, as well as risks not currently known to the Company could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from estimates described in forward-looking statements relating to the Company. A prospective investor should carefully consider the risk factors set out below.

A purchase of any of the securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities.

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor.

The risks discussed below also include forward-looking statements and actual results may differ substantially from those discussed in these forward-looking statements. See "*Forward-Looking Statements*" in this Listing Statement.

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 or substantial dilution of the Company's interest in the Delrey Mineral Properties. The Company's unallocated working capital may not suffice to fund the proposed exploration programs on the Delrey Mineral Properties.

Limited Operating History

The Company is an early stage company and the Delrey Mineral Properties are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Delrey Mineral Properties requires significant additional expenditures before any cash flow may be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

An investment in the Shares carries a high degree of risk and should be considered speculative by purchasers. There is a low probability of dividends being paid on the Shares.

Lack of Operating Cash Flow

The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue its business. Further exploration and development of the Delrey Mineral Properties will require the commitment of substantial financial resources. It may be several years before the Company may generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

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 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. The market for the Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of Shares distributed hereunder will be affected by such volatility.

Property Interests

The Company does not own the mineral rights pertaining to the Sunset Property or the Four Corners Project. Rather, it holds an option to acquire the mineral rights. There is no guarantee the Company will be able to raise sufficient funding in the future to explore and develop the Delrey Mineral Properties so as to maintain its interests therein. If the Company loses or abandons its interest in the Delrey Mineral Properties, 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. Unless the Company acquires additional property interests, any adverse developments affecting the Delrey Mineral Properties could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the control of the Company. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of its Delrey Mineral Properties as described herein will result in the discovery of commercial quantities of ore. The Company has no history of operating earnings and the likelihood of success must be considered in light of problems, expenses, etc. which may be encountered in establishing a business.

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company’s mineral exploration and development programs at the Delrey Mineral Properties will result in the definition of bodies of commercial mineralization. The discovery of bodies of commercial mineralization is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. Most of the above factors are beyond the Company’s control.

Exploration, Development and Production Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company’s resource base.

The Company’s operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of properties in which the Company has an interest will have an adverse effect on profitability as a result of higher infrastructure costs. There are also physical risks to the exploration personnel working in the terrain in which the Company’s properties are or will be located, often in poor climate conditions.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its properties and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

Mineral Resources and Reserves

Because the Company has not defined or delineated any proven or probable reserves on any of its properties, mineralization estimates for the Company’s properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Unless otherwise indicated, mineralization figures presented in this Listing Statement are based upon estimates made by the Company, personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis which may prove to be unreliable. There can be no assurance that these estimates will be accurate; resource or other mineralization figures will be accurate; or such mineralization could be mined or processed profitably.

Obtaining and Renewing Licenses and Permits

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Delrey Mineral Properties. Obtaining or renewing the necessary governmental licenses or permits is a complex and time consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from the Delrey Mineral Properties. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

No Assurances

There is no assurance that economic mineral deposits will ever be discovered, or if discovered, subsequently put into production. Most exploration activities do not result in the discovery of commercially mineable deposits. The Company's future growth and profitability will depend, in part, on its ability to identify and expand its mineral reserves through additional exploration of the Property and on the costs and results of continued exploration and development programs. Mining exploration is highly speculative in nature, involves many risks and frequently is not productive. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any anticipated level of recovery of mineral reserves will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. There can be no assurance that the Company's exploration efforts at the Property will be successful.

Title Risks

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. Surveys have not been carried out on any of the Company's mineral properties, therefore, in accordance with the laws of the jurisdiction in which such properties are situated; their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Company can give no assurance as to the validity of title of the Company to those lands or the size of such mineral lands. Further, the Company does not own the Sunset Property or Four Corners Project and only has a right to earn the ownership interest therein. In the event that the Company does not fulfill its obligations, it will lose its interest in the Sunset Property and Four Corners Project.

Loss of Interest in Properties

The Sunset Property and Four Corners Project agreements require the Company to incur exploration and development expenditures in order to maintain and/or earn its interests. The Company's ability to maintain and/or earn its interest in the Sunset Property and Four Corners Project may be dependent on its ability to raise additional funds by equity financings. Failure to obtain additional financing may result in the Company being unable to make periodic payments required for the maintenance or acquisition of the Sunset Property and Four Corners Project and could result in a delay or postponement of further exploration and the partial or total loss of the Company's interest in the Sunset Property and Four Corners Project and/or termination of the respective agreements.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. 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. 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 securities of the Company.

Additional Funding Requirements

The exploration and development of the Delrey Mineral Properties will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favorable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the gold and copper industries in particular), the Company's status as a new enterprise with a limited history, the location of the Delrey Mineral Properties, the price of commodities and/or the loss of key management personnel. Further, if the price of gold, copper and other metals on the commodities markets decreases, then potential revenues from the Delrey Mineral Properties will likely decrease and such decreased revenues may increase the requirements for capital. Failure to obtain sufficient financing will result in a delay or indefinite postponement of development or production at the Delrey Mineral Properties.

Dilution

Shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company may issue additional Shares from time to time pursuant to Share purchase warrants and the options to purchase Shares issued from time to time by the Board. The issuance of these Shares could result in dilution to holders of Shares.

First Nations Land Claims

The Delrey Mineral Properties 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 Company's material interest in the Delrey Mineral Properties and/or potential ownership interest in the Delrey Mineral Properties in the future, 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 Delrey Mineral Properties are 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 Delrey Mineral Properties, there is no assurance that the Company will be able to establish a practical working relationship with the First Nations in the area which would allow it to ultimately develop the Delrey Mineral Properties.

Many lands in Canada and elsewhere are or could become subject to Aboriginal land claim to title, which could adversely affect the Company's title to its properties.

Environmental Risks

All phases of the Company's operations with respect to the Delrey Mineral Properties will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for non-compliance, 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 the Company's operations and future potential profitability. In addition, environmental hazards may exist on the Delrey Mineral Properties that are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, 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.

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating Company to control possible deleterious effluents and to re-establish to some degree pre-disturbance landforms and vegetation. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

Regulatory Requirements

Even if the Delrey Mineral Properties are proven to host economic reserves of precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of the Delrey Mineral Properties, environmental legislation and mine safety.

Volatility of Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious 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 a world market in United States dollars.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Delrey Mineral Properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Delrey Mineral Properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Executive Employee Recruitment and Retention

The success of the Company will be dependent upon the performance of its management and key employees. The loss of any key executive or manager of the Company may have an adverse effect on the future of the Company's business. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, geologic and mining personnel as well as additional operations staff. There is no assurance that it will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on its future cash flows, earnings, results of operations and financial condition.

Adverse General Economic Conditions

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral exploration sector, were impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity, the volatility of mineral prices would impact the Company's prospects, volatile energy, commodity and consumables prices and currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of its equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

In recent years, the securities markets in Canada, as well as in other countries around the world, 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 that 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 Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected by market volatility. An active public market for the Shares might not develop or be sustained. If an active public market for the Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Shares may decline.

Force Majeure

The Delrey Mineral Properties now or in the future may be adversely affected by risks outside the control of the Company, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Competition

All aspects of the Company's business will be subject to competition from other parties. Many of the Company's competitors for the acquisition, exploration, production and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. Michael Blady, a director of the Company, is also one of the Optionors under the Option Agreement and upon exercise of the Option, will be a NSR Holder. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Dividends

To date, the Company has not paid any dividends on their outstanding shares. Any decision to pay dividends on the shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

Reporting Issuer Status

As a reporting issuer, the Company is subject to reporting requirements under applicable securities law and stock exchange policies. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources.

Among other things, the Company is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations.

The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Management of the Company expects that being a reporting issuer will make it more expensive to maintain director and officer liability insurance. This factor could also make it more difficult for the Company to retain qualified directors and executive officers.

Tax Issues

Income tax consequences in relation to the Shares will vary according to the circumstances by each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisors prior to subscribing for Shares.

Operating Hazards, Risks and Insurance

The ownership, exploration, operation and development of a mine or mineral property involves many risks 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. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of our securities. Liabilities that the Company incurs may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event the Company could incur significant costs that could adversely impact its business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses. These could include loss or forfeiture of mineral interests or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by personnel.

17.2 Additional Securityholder Risk

There is no risk that securityholders of the Company may become liable to make an additional contribution beyond the price of the security.

17.3 <u>Other Risks</u>

Subject to the risk factors set out under Part 17.1 above, there are no other material risk factors that a reasonable investor would consider relevant to an investment in the Company's shares.

18. PROMOTER

18.1 – 18.3 <u>Promoter Consideration</u>

Morgan Good is considered to be a promoter of the Company in that he took the initiative in organizing the Company. Mr. Good currently holds, directly and indirectly, 1,801,001 Shares representing 5.54% of the Company's currently issued Shares.

Except as disclosed in this Listing Statement, Mr. Good has not and will not receive from or provide to the Company anything of value, including money, property, contracts, option or rights of any kind directly or indirectly.

Information about Mr. Good is disclosed elsewhere in the Listing Statement in connection with his capacity as a director and officer of the Company. See Item 13 – *Directors and Officers* for further details.

19. LEGAL PROCEEDINGS

19.1 <u>Legal Proceedings</u>

Neither the Company nor the Delrey Mineral Properties were previously a party to, or the subject of, any legal proceeding nor is the Company currently party to any material legal proceeding or contemplating any legal proceedings which are material to its business. From time to time, however, the Company may be subject to various claims and legal actions arising in the ordinary course of business. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

19.2 <u>Regulatory Actions</u>

From incorporation to the date of this Listing Statement, management knows of no:

(i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;

(ii) other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and

(iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Listing Statement, no director, officer, proposed management nominee for director or person who, to the knowledge of the directors or officers of the Company, beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the votes attached to all outstanding Shares of the Company, informed person or any Associate or Affiliate of the foregoing has any material interest, direct or indirect, in any transaction since the Company's inception or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company. See Item 12 – *Principal Shareholders*.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 Auditor

The auditor for the Company is Dale Matheson Carr-Hilton LaBonte LLP (the "**Auditor**"), at its office located at Vancouver office at 1500 - 1140 West Pender Street, Vancouver, British Columbia V6E 4G1. The Auditor is the independent registered certified auditor of the Company and was appointed on February 15, 2018.

21.2 Transfer Agent and Registrar

The registrar and transfer agent of the Company's Shares is Computershare Investor Services Inc., at its Vancouver office located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C 3B9.

22. MATERIAL CONTRACTS

22.1 Material Agreements

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company during the previous two years which are currently in effect and considered to be currently material:

A. Option Agreement made between the Company and the Optionors dated November 7, 2017 referred to under Item 3 – *General Development of the Business*.

B. Escrow Agreement among the Company, the Escrow Agent and the security holders of the Company dated April 19, 2018 referred to under Item 11 – *Escrowed Securities*.

C. Transfer Agent Agreement made between the Company and Computershare Investor Services Inc. dated April 6, 2018.

D. Letter Amendment Agreement made between the Company and the Optionors dated May 9, 2018 which amended the terms of the Option Agreement referred to under Item 3 – *General Development of the Business*.

E. Letter Amendment Agreement made between the Company and the Optionors dated May 25, 2018 which amended the terms of the Option Agreement referred to under Item 3 – *General Development of the Business*.

F. Letter Amendment Agreement made between the Company and the Optionors dated June 25, 2018 which amended the terms of the Option Agreement referred to under Item 3 – *General Development of the Business*.

G. Assignment and Assumption Agreement among the Company, the Optionors, and Cobalt 27 Capital Corp. dated May 9, 2018 referred to under Item 3 – *General Development of the Business*.

H. Share Purchase Agreement made among the Company, Christopher Paul, 1132902 B.C. Ltd., Beachhouse Capital Inc., Bull Markets Media GmbH and Omni8 Communications Inc. dated December 6, 2018 referred to under Item 3 – *General Development of the Business*.

I. Share Purchase Agreement made among the Company, Oliver Friesen, 1132902 B.C. Ltd. and Omni8 Communications Inc. dated December 12, 2018 referred to under Item 3 – *General Development of the Business*.

J. Property Option Agreement made between the Company and Triple Nine Resources Ltd. dated May 17, 2019 referred to under Item 3 – *General Development of the Business*.

Other than those contracts entered into in the ordinary course of business and disclosed above, the Company has not entered into any material contracts within the two years before the date of this Listing Statement.

22.2 Special Agreements

This section is not applicable to the Company.

23. INTEREST OF EXPERTS

23.1 Interest of Experts

No person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Company or of an Associate or Affiliate of the Company and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Company or of an Associate or Affiliate of the Company and no such person is a promoter of the Company or an Associate or Affiliate of the Company. The Auditor is independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

24. OTHER MATERIAL FACTS

Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Company and its securities which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Company and its respective securities.

25. FINANCIAL STATEMENTS

25.1 Financial Statements of the Company

The Company's financial statements for the year ended February 28, 2019 are attached hereto as Schedule B to this Listing Statement and are available on the SEDAR website under the Company's profile at www.sedar.com.

SCHEDULE A

CERTIFICATE OF THE ISSUER

The foregoing contains full, true and plain disclosure of all material information relating to Delrey Metals Corp. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 9th day of August, 2019.

/s/ Morgan Good
MORGAN GOOD
CEO, President and Director

/s/ Leighton Bocking
LEIGHTON BOCKING
Director

/s/ Michael Blady
MICHAEL BLADY
Director

/s/ Alastair Brownlow
ALASTAIR BROWNLOW
CFO

SCHEDULE B

AUDITED FINANCIAL STATEMENTS

DELREY METALS CORP.

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canada Dollars)

FOR THE YEAR ENDED FEBRUARY 28, 2019

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Delrey Metals Corp.

Opinion

We have audited the consolidated financial statements of Delrey Metals Corp. (the "Company"), which comprise the consolidated statements of financial position as at February 28, 2019 and 2018, and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the year ended February 28, 2019 and for the period from incorporation on October 18, 2017 to February 28, 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2019 and 2018, and its financial performance and its cash flows for the year ended February 28, 2019 and for the period from incorporation on October 18, 2017 to February 28, 2018 in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements which describes events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partner on the audit resulting in this independent auditor's report is David J. Goertz.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

June 27, 2019

An independent firm associated with Moore Stephens International Limited

MOORE STEPHENS

DELREY METALS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

		February 28, 2019		February 28, 2018
ASSETS				
Current Assets				
Cash	$	1,231,092	$	562,418
Amounts receivable		37,052		1,035
Prepaid expenses (Note 11)		198,459		-
Deposit (Note 4)		-		25,000
Total current assets		1,466,603		588,453
Property and equipment (Note 5)		8,596		-
Exploration and evaluation assets (Note 6)		1,398,495		18,000
Total Assets	$	2,873,694	$	606,453
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts payable	$	357,720	$	425
Accrued liabilities		19,806		8,700
Total Liabilities		377,526		9,125
Shareholders' Equity				
Share capital (Note 7)		5,104,960		616,811
Reserves (Note 7)		510,398		-
Deficit		(3,119,190)		(19,483)
Total Shareholders' Equity		2,496,168		597,328
Total Liabilities and Shareholders' Equity	$	2,873,694	$	606,453

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 13)

APPROVED ON BEHALF OF THE BOARD ON JUNE 27, 2019

"Morgan Good" Director *"Mike Blady"* Director

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

DELREY METALS CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	For the year ended February 28, 2019	Period from incorporation on October 18, 2017 to February 28, 2018
GENERAL AND ADMINISTRATIVE EXPENDITURES		
Bank and interest charges	$ 1,129	$ 61
Consulting fees (Note 8)	170,000	7,500
Depreciation (Note 5)	1,231	-
Foreign exchange loss	3,953	-
Investor relations fees	396,207	-
Management fees (Note 8)	83,500	-
Office costs	17,993	205
Professional fees (Note 8)	64,093	11,717
Rent	42,500	-
Share-based payments (Notes 6, 7 and 8)	2,259,900	-
Transfer agent and filing fees	40,861	-
Travel and entertainment	18,340	-
Loss and comprehensive loss for the year	$ (3,099,707)	$ (19,483)
Loss per common share, basic and diluted	$ (0.16)	$ (0.01)
Weighted average number of common shares outstanding	19,486,897	3,330,016

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

DELREY METALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended February 28, 2019	Period from incorporation on October 18, 2017 to February 28, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (3,099,707)	$ (19,483)
Items not affecting cash		
Depreciation	1,231	-
Share-based payments	2,259,900	-
Changes in non-cash working capital items:		
Deposit	-	(25,000)
Amounts receivable	(36,017)	(1,035)
Prepaid expenses	(198,459)	-
Accounts payables and accrued liabilities	368,401	9,125
Net cash used in operating activities	(704,651)	(36,393)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(9,827)	-
Expenditures on exploration and evaluation assets	(120,495)	(18,000)
Net cash used in investing activities	(130,322)	(18,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common shares	1,770,000	616,811
Proceeds from stock option exercises	18,787	-
Share issuance costs	(285,140)	-
Net cash provided by financing activities	1,503,647	616,811
Change in cash for the year	668,674	562,418
Cash, beginning	562,418	-
Cash, ending	$ 1,231,092	$ 562,418

Supplemental Cash Flow Information (Note 9)

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

DELREY METALS CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital				
	Shares	**Amount**	**Reserves**	**Deficit**	**Total**
Balance, October 18, 2017	-	$ -	$ -	$ -	$ -
Seed shares issued	4,250,001	42,500	-	-	42,500
Shares issued for private placement	7,866,000	589,950		-	589,950
Share issuance costs	-	(15,639)	-	-	(15,639)
Loss and comprehensive loss for the period	-	-	-	(19,483)	(19,483)
Balance, February 28, 2018	12,116,001	616,811	-	(19,483)	597,328
Shares issued for private placement	3,600,000	270,000	-	-	270,000
Shares issued for initial public offering	7,500,000	1,500,000	-	-	1,500,000
Shares issued for exploration and evaluation assets and acquisitions (Note 6)	10,416,667	3,071,250	-	-	3,071,250
Shares issued for stock options exercised	93,937	28,769	(9,982)	-	18,787
Share issuance costs – cash	-	(310,140)	-	-	(310,140)
Share issuance costs – agents' options	-	(71,730)	71,730	-	-
Share-based payments	-	-	448,650	-	448,650
Loss and comprehensive loss for the year	-	-	-	(3,099,707)	(3,099,707)
Balance, February 28, 2019	33,726,605	$ 5,104,960	$ 510,398	$ (3,119,190)	$ 2,496,168

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Delrey Metals Corp. (the "Company") was incorporated on October 18, 2017 under the Business Corporations Act of British Columbia. The Company's head office address is 4302 – 1151 West Georgia Street, Vancouver, BC. The registered office address is located at 800 – 885 West Georgia Street, Vancouver, BC. The Company's common shares began trading on the Canadian Securities Exchange (the "CSE") on October 24, 2018, under the symbol "DLRY". The Company's consolidated financial statements include the financial statements of the following subsidiaries:

Company	Place of Incorporation	Effective Interest
BC Vanadium Corp. ("**BCVC**")	British Columbia	100%
WEM Western Energy Metals Ltd. ("**WEM**")	British Columbia	100%

The principal business of the Company is the exploration and evaluation of mineral property interests. The success of the Company will be dependent on obtaining the necessary financing to evaluate and pursue these opportunities.

These consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue in the normal course of operations is dependent on its ability to raise equity financing or through the sale of its investments at amounts favorable to the Company. 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 estimates there is sufficient working capital as at February 28, 2019 to continue current operations for the next twelve months. These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. These consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the Company's functional currency.

The consolidated financial statements of the Company for the year ended February 28, 2019 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on June 27, 2019.

Use of Estimates and Critical Judgments

The preparation of financial statements in accordance with IFRS requires the Company to use judgment in applying its accounting policies and make estimates and assumptions about reported amounts at the date of the financial statements and in 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 assumption where there is significant risk of material adjustments to assets and liabilities in future accounting period include the recoverability of the carry value of the exploration and evaluation assets, the measurements for financial instrument, the measurement of share-based payments and the recoverability of deferred tax assets.

2. BASIS OF PREPARATION *(cont'd…)*

The preparation of financial statements in accordance with IFRS required the Company to make judgements, apart from those involving estimates, in applying accounting policies. The following are the most significant judgements that management has made in applying the Company's financial statements: the assessment of the Company's ability to continue as a going concern and the classification of exploration and evaluation assets.

Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and its controlled and wholly owned subsidiaries BCVC and WEM. Control is achieved where the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the investor's returns. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All inter-company balances and transactions have been eliminated on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these financial statements, unless otherwise indicated.

Cash

Cash includes cash on hand and deposits held with financial institutions.

Financial instruments

<u>Financial assets</u>

Financial assets are classified as either financial assets at affair value through profit or loss, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

Fair value through profit or loss ("FVTPL") **-** financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Changes in fair value are recognized in profit and loss.

Amortized cost – financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as FVTPL: 1) The objective of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the assets contractual cash flow represents solely payments of principal and interest.

The Company's cash is recorded at FVTPL. The Company's amounts receivable are recorded at amortized cost.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

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

Financial instruments *(cont'd…)*

Financial liabilities

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

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

Amortized cost: This category includes trade payables and accrued liabilities, which are recognized at amortized cost.

Exploration and evaluation assets

Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred.

Exploration expenditures reflect the capitalized costs related to the initial search for mineral deposits with economic potential or obtaining more information about existing mineral deposits. Exploration expenditures typically include costs associated with acquisition of rights to explore, prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. Evaluation expenditures reflect costs incurred at exploration projects related to establishing the technical and commercial viability of mineral deposits identified through exploration or acquired through a business combination or asset acquisition. Evaluation expenditures include the cost of:

i) establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve,

ii) determining the optimal methods of extraction and metallurgical and treatment processes,

iii) studies related to surveying, transportation and infrastructure requirements,

iv) permitting activities, and

v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

From time-to-time, the Company may acquire or dispose of mineral interests pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as resource property costs or recoveries when the payments are made or received. The Company does not accrue the estimated costs of maintaining its interests in good standing.

From time-to-time the Company may issue shares for option-in agreements in respect of acquisition of mineral interests. These equity-settled share-based payment transactions are measured by reference to the fair value of the entity instruments granted and the corresponding increase in equity. The Company capitalizes its acquisition costs and exploration and evaluation costs.

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

Exploration and evaluation assets *(cont'd…)*

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

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company will reassesses any unrecognized deferred tax assets. The Company will recognize any previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Property and Equipment

On initial recognition, property and equipment are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in a manner intended by the Company. Property and equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

Depreciation is recognized in operations using the declining balance method at the following rates over the assets useful life:

Computer equipment	30%
Furniture and fixtures	20%

Depreciation methods, useful lives, and residual values are reviewed at each financial year-end and adjusted if appropriate.

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, common share warrants and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new common shares, common share warrants, or stock options are shown in equity as a deduction, net of tax, from the proceeds.

Loss per common share

Basic loss per share has been calculated using the weighted average number of common shares outstanding during the year.

Diluted loss per share has been calculated using the weighted average number of common shares that would have been outstanding during the respective period had all of the stock options and warrants outstanding (if any) at year-end having a dilutive effect been converted into shares at the beginning of the year and the proceeds used to repurchase the Company's common shares at the average market price for the year. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

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

Impairment

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

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

Decommissioning provision

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

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

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

Share-based payments

A stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to capital stock.

The fair value is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

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

Foreign currency translation

The functional and presentation currency, as determined by management, of the Company is the Canadian dollar. Transactions in currencies other than the functional currency of each entity are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities of the entity that are denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the average exchange rate for the year, which approximates those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

New standards, interpretations and amendments adopted

We have adopted the new IFRS pronouncement for financial instruments as at March 1, 2018, in accordance with the transitional provisions outlined in the respective standard and described below. The adoption of the new IFRS pronouncement has not resulted to adjustments in previously reported figures and no change to the opening deficit balance as at March 1, 2018, under the IFRS 9 transition provisions.

Overview of Changes in IFRS 9

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement (IAS 39).

Under IFRS 9, on initial recognition, a financial asset or liability is classified at amortized cost or at fair value (either through other comprehensive income ("FVOCI") or profit or loss ("FVTPL").

The classification of financial assets under IFRS 9 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 amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income (FVOCI).

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

New standards, interpretations and amendments adopted (cont'd…)

For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

Classification and Measurement Changes

There has been no change in the measurement categories, carrying values or to previously reported figures of our financial instruments. The adoption of the Standard did not have a significant impact on the financial statements.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information. The Company has determined that the application of IFRS 9's impairment requirements as at March 1, 2018 does not result in any additional impairment allowances.

New standards not yet adopted

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

IFRS 16 Leases will be effective for accounting periods beginning on or after January 1, 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor').

The Company will be adopting IFRS 16 on March 1, 2019 using the modified retrospective approach and will not restate comparative amounts for the year prior to first adoption. For all leases, the lease liability will be measured at March 1, 2019 as the present value of any future minimum lease payments discounted using the appropriate incremental borrowing rate. The associated right of use assets will be measured at the amount equal to the lease liability on March 1, 2019. The Company's accounting for finance leases remained substantially unchanged.

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

4. DEPOSIT

On December 21, 2017, the Company executed an agreement with Leede Jones Gable (the "Agent") to act as an agent for the Company with respect to the proposed initial public offering (the "Offering"), of up to 7,500,000 shares priced at $0.20 per share for total proceeds of $1,500,000.

In consideration of the services performed by the Agent, the Company will: (i) pay an agent's commission equal to 9% of the proceeds raised by the Agent; and (ii) grant the option to purchase shares of the Company equal to 9% of the Offering shares sold by the Agent with an exercise price of $0.20 per share for a period of 24 months from the date of issuance. In addition, the Company will pay the Agent a corporate finance fee of $30,000, with the first half paid during the period and the balance to be paid from the proceeds of the Offering.

(Expressed in Canadian Dollars)

4. DEPOSIT *(cont'd…)*

During the year ended February 28, 2018, the Company had paid a $25,000 deposit which was reclassified as a share issuance cost against share capital during the year ended February 28, 2019 upon completion of the Offering.

5. PROPERTY AND EQUIPMENT

A continuity of the Company's property and equipment is as follows:

		Furniture and Fixtures		Computer Equipment		Total
Cost						
Balance, October 18, 2017 and February 28, 2018	$	-	$	-	$	-
Additions		3,783		6,044		9,827
Balance, February 28, 2019		3,783		6,044		9,827
Accumulate Depreciation						
Balance, October 18, 2017 and February 28, 2018	$	-	$	-	$	-
Additions		349		882		1,231
Balance, February 28, 2019		349		882		1,231
As at February 28, 2018	$	-	$	-	$	-
As at February 28, 2019	$	3,434	$	5,162	$	8,596

6. EXPLORATION AND EVALUATION ASSETS

Sunset Mining Property, British Columbia

On November 7, 2017, the Company entered into an agreement, whereby it will have the right to earn a 100% interest in the Sunset Property consisting of four mineral claims.

The Company will earn a 100% interest in the Sunset Property subject to a 2% Net Smelter Royalty, by completing $1,000,000 in exploration, making cash payments of $15,000 (paid) and issuing 666,667 common shares (issued during the year ended February 28, 2019) of the Company to the optionor.

The Company will incur $1,000,000 of exploration on the property as follows:

By June 30, 2018	$	100,000	*(completed during the year ended February 28, 2019)*
By June 30, 2019		200,000	
By June 30, 2020		700,000	
	$	1,000,000	

Excess expenditures from one year can be applied to the next period. If there is a shortfall in exploration in any one year, the agreement can be maintained in good standings by making a payment in the equivalent cash, of the shortfall to the Optionor. On June 25, 2018, the $100,000 in exploration expenditure to incur by June 30, 2018 was extended to September 30, 2018.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS *(cont'd…)*

BCVC acquisition, British Columbia

On December 6, 2018, pursuant to the terms of an agreement the Company acquired 100% of issued and outstanding common shares of BCVC in exchange for 5,500,000 common shares and agreed to pay $10,000 in BCVC's existing payables. The acquisition of BCVC was accounted for as an asset acquisition. BCVC owns a 100% interest in the Star and the Porcher vanadium properties, located in northwestern British Columbia. The Company determined that of the 5,500,000 common shares issued, 3,500,000 common shares with a fair value of $1,260,000 were compensatory in nature and recognized these as share-based payments for the year ended February 28, 2019. The remaining 2,000,000 common shares issued were considered as the purchase price consideration of BCVC.

The following table summarizes the consideration paid, the relative fair value of the assets acquired, and the liabilities assumed:

Purchase price consideration		
Fair value of 2,000,000 common shares issued at $0.36	$	720,000
Assets acquired and liabilities assumed		
Exploration and evaluation assets	$	730,000
Trade payables and accrued liabilities		(10,000)
Total purchase price allocated	$	720,000

WEM acquisition, British Columbia

On December 12, 2018, pursuant to the terms of an agreement the Company acquired 100% of issued and outstanding common shares of WEM in exchange for 4,250,000 common shares and agreed to pay $10,000 in WEM's existing payables. The acquisition of WEM was accounted for as an asset acquisition. WEM owns a 100% interest in the Blackie and the Peneece vanadium properties, located in northwestern British Columbia. The Company determined that of the 4,250,000 common shares issued, 2,250,000 common shares with a fair value of $551,250 were compensatory in nature and recognized these as share-based payments for the year ended February 28, 2019. The remaining 2,000,000 common shares issued were considered as the purchase price consideration of WEM.

The following table summarizes the consideration paid, the relative fair value of the assets acquired, and the liabilities assumed:

Purchase price consideration		
Fair value of 2,000,000 common shares issued at $0.245	$	490,000
Assets acquired and liabilities assumed		
Exploration and evaluation assets	$	500,000
Trade payables and accrued liabilities		(10,000)
Total purchase price allocated	$	490,000

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS *(cont'd…)*

A continuity of the Company's exploration and evaluation assets is as follows:

	Sunset	Star / Porcher	Blackie / Peneece	Total
Acquisition costs:				
Balance, October 18, 2017	$ -	$ -	$ -	$ -
Additions	15,000	-	-	15,000
Balance, February 28, 2018	15,000	-	-	15,000
Additions	50,000	730,000	500,000	1,280,000
Balance, February 28, 2019	65,000	730,000	500,000	1,295,000
Exploration costs:				
Balance, October 18, 2017	-	-	-	-
Supplies and other	3,000	-	-	3,000
Balance, February 28, 2018	3,000	-	-	3,000
Field Personnel	59,000	-	-	59,000
Sampling	21,182	-	-	21,182
Supplies and other	2,615	-	-	2,615
Travel and meals	17,698	-	-	17,698
Balance, February 28, 2019	103,495	-	-	103,495
Balance, February 28, 2018	$ 18,000	$ -	$ -	$ 18,000
Balance, February 28, 2019	$ 168,495	$ 730,000	$ 500,000	$ 1,398,495

7. CAPITAL STOCK

Authorized capital stock

An unlimited number of common shares without par value, issuable in series.

Issued share capital

During the year ended February 28, 2019, the Company:

a) issued 666,667 common shares with a fair value of $50,000, in connection with the Sunset Property agreement (Note 6). Of these, 300,000 were issued to a director of the Company (Note 8);

b) completed a private placement by issuing 3,600,000 common shares for gross proceeds of $270,000;

(Expressed in Canadian Dollars)

7. CAPITAL STOCK *(cont'd…)*

Issued share capital *(cont'd…)*

c) closed its initial public offering ("IPO") by issuing 7,500,000 common shares at a price of $0.20 per common share for gross proceeds of $1,500,000. In conjunction with the IPO, the Company paid total cash commissions of $135,000 and granted an aggregate of 675,000 agents' options, each of which entitles the holder thereof to purchase one common share at a price of $0.20 per common share for a period of 24 months from the date of issuance. The agents' options were valued at $71,730 using the Black Scholes pricing model using an expected life of two years, volatility of 100%, risk-free interest rate of 1.61% and expected dividends of $nil. The Company incurred additional closing and legal fees of $175,140 including $49,049 paid to the CEO for services rendered relating to the IPO (Note 8);

d) issued 5,500,000 common shares with a fair value of $0.36 per common share, for a total value of $1,980,000 in connection with the acquisition of BCVC (Note 6). Of the total common shares issued, 3,500,000 were considered compensatory and $1,260,000 was recognized as share-based payments for the year ended February 28, 2019;

e) issued 4,250,000 common shares with a fair value of $0.245 per common share, for a total value of $1,041,250 in connection with the acquisition of WEM (Note 6). Of the total common shares issued, 2,250,000 were considered compensatory and $551,250 was recognized as share-based payments for the year ended February 28, 2019; and

f) issued 93,937 common shares at a price of $0.20 per common share, for gross proceeds of $18,787 on the exercise of stock options.

During the period from incorporation on October 18, 2017 to February 28, 2018, the Company:

a) issued 4,250,001 common shares at $0.01 for proceeds of $42,500; and

b) completed a private placement of 7,866,000 common shares for gross proceeds of $589,950. In connection with the share issuances, the Company incurred share issuance costs of $15,639.

Stock options

During the year ended February 28, 2019, the Company adopted a stock option plan. The stock option plan provides that, the aggregate number of securities reserved for issuance will be 10% of the number of common shares of the Company issued and outstanding from time to time. In addition, the number of common shares which may be reserved for issuance on a yearly basis to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued shares calculated at the time of grant. All options granted under the stock option plan will expire no later than the date that is five years from the date that such options are granted.

The following is a summary of stock options outstanding as at February 28, 2019 and February 28, 2018 and changes during the periods ended:

	Number of Stock Options	Weighted Average Exercise Price
Balance, October 18, 2017 and February 28, 2018	-	$ -
Issued	3,063,000	0.24
Cancelled	(25,000)	0.25
Exercised	(93,937)	0.20
Balance, February 28, 2019– outstanding and exercisable	2,944,063	$ 0.24

(Expressed in Canadian Dollars)

7. CAPITAL STOCK *(cont'd…)*

Stock options *(cont'd…)*

At February 28, 2019 the following stock options were outstanding:

Number outstanding	Number outstanding and exercisable		Exercise Price	Expiry Date
581,063	581,063	$	0.20	October 23, 2020
2,363,000	2,363,000	$	0.25	October 29, 2023
2,944,063	2,944,063			

The weighted average fair value of incentive options granted during the year ended February 28, 2019 was $0.19 (2018 - $nil). Total share-based payments recognized in the statement of shareholders' equity for the year ended February 28, 2019 was $448,650 (2018 - $nil) for incentive options was recognized in the profit or loss.

The fair value of incentive options at the date of grant was estimated using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

	February 28, 2019	February 28, 2018
Weighted average share and exercise price	$0.25	-
Risk-free interest rate	2.33%	-
Expected life of option	5 years	-
Expected annualized volatility	100%	-
Expected dividend rate	Nil	-

8. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

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 executive and non-executive members of the Company's Board of Directors, the Chief Executive Officer, and Chief Financial Officer.

		Management fees		Professional fees		Consulting fees		Share-based payments		Total
Chief Executive Officer[(1)]	$	62,500	$	-	$	49,049	$	37,575	$	149,124
Chief Financial Officer		9,000		-		-		-		9,000
Former Chief Financial Officer		-		18,938		-		4,697		23,635
Non-executive directors		-		-		25,000		75,150		100,150
	$	71,500	$	18,938	$	74,049	$	117,422	$	281,909

(1) Consulting fees comprise $49,049 in consulting fees included in share issuance costs.

There were no key management personnel payments for the comparative the year ended February 28, 2019.

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS *(cont'd…)*

As at February 28, 2019, $669 (2018 - $nil) was included in trade payables and accrued liabilities for fees owed to related parties and $20,000 (2018 - $nil) was included in prepaid expenses for amounts prepaid to related parties for travel advances and March 2019 management fees.

The terms of the Sunset Property agreement included a property option payment of $9,000 (Note 6) to an optionor of the property, who is also a director of the Company.

Under the terms of the acquisition agreements, the Company issued 300,000 common shares of the Company to a director of the Company on April 1, 2018 (Notes 6 and 7).

9. SUPPLEMENTAL CASH FLOW INFORMATION

The Company had the following non-cash transactions:

		February 28, 2019		February 28, 2018
Deposit reallocated to share issuance costs	$	25,000	$	-
Fair value of agents' options included in equity reserves	$	71,730	$	-
Fair value of options reclassified from equity reserves on exercise	$	9,982	$	-
Fair value of common shares issued for exploration and evaluation asset	$	1,260,000	$	-

10. FINANCIAL AND CAPITAL RISK MANAGEMENT

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

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

The carrying value of amounts receivable and accounts payable and accrued liabilities approximates fair value due to the short-term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is carried at fair value through profit or loss. Amounts receivable and trade payables and accrued liabilities are carried at amortized cost.

Risk management

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

Credit risk

Credit risk is the risk of an unexpected loss of a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of Goods and Services Tax receivable from the government of Canada and the Company considers credit risk associated with these amounts to be low.

10. FINANCIAL AND CAPITAL RISK MANAGEMENT *(cont'd…)*

Risk management *(cont'd…)*

Liquidity risk

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

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

Market risk

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

a) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's practice has been to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions. As at February 28, 2019, the Company is not exposed to significant interest rate risk.

b) Foreign currency risk

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

c) Price risk

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

Capital management

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

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

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

(Expressed in Canadian Dollars)

11. COMMITMENTS

The Company has entered into an operating lease contract for office space. As at February 28, 2019, the Company has included $25,500 in prepaid expenses relating to prepayments on monthly rent through May 2019. The future minimum payments under the lease at February 28, 2019 is as follows:

2020	$	76,500
2021		59,500
	$	136,000

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes for the years ended February 28, 2019 and 2018 are as follows:

		2019		2018
Loss before income taxes	$	(3,099,707)	$	(19,483)
Expected income tax (recovery)	$	(837,000)	$	(5,000)
Permanent differences		612,000		-
Share issuance cost		(84,000)		(4,000)
Change in unrecognized deductible temporary differences		309,000		9,000
Income tax recovery	$	-	$	-

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

		2019	Expiry Date Range
Property and equipment		1,000	N/A
Share issue costs		257,000	2038-2041
Non-capital losses		918,000	2032-2038
	$	1,176,000	

13. SUBSEQUENT EVENTS

Subsequent to the year ended February 28, 2019, the Company:

a) granted an aggregate of 500,000 stock options to various consultants with a life of 5 years and exercise price of $0.25;

13. SUBSEQUENT EVENTS *(cont'd…)*

b) entered into a mineral property option agreement to acquire an undivided 80% right, title, and interest in the Four Corners Project, located in west-central Newfoundland. The option will be deemed to be exercised by the Company upon the Company:

(i) paying the following amounts to the optionor:

- $25,000 upon entry into the term sheet (paid subsequent to February 28, 2019);
- $25,000 upon executing the option agreement (paid subsequent to February 28, 2019);
- $50,000 on or before the first anniversary date;
- $50,000 on or before the second anniversary date;
- $50,000 on or before the third anniversary date; and
- $250,000 on or before the earlier of the fourth anniversary date or the 30th day after completion of an approved exploration program.

(ii) issuing the following amounts of common shares to the optionor:

- 1,200,000 upon executing the option agreement (issued subsequent to February 28, 2019);
- 2,600,000 on or before the first anniversary date;
- 3,600,000 on or before the second anniversary date;
- 2,600,000 on or before the third anniversary date; and
- 2,000,000 on or before the fourth anniversary date.

(iii) incurring the following exploration expenditures:

- $1,000,000 on or before the first anniversary date;
- $2,000,000 on or before the second anniversary date;
- $1,000,000 on or before the third anniversary date; and
- $1,000,000 on or before the fourth anniversary date.

c) granted 600,000 stock options to a consultant with a life of five years and exercise price of $0.13. These options were subsequently exercised for proceeds of $78,000.

SCHEDULE C

MANAGEMENT’S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") prepared as at June 27, 2019, reviews the financial condition and results of operations of Delrey Metals Corp. ("Delrey" or the "Company") for the year ended February 28, 2019 and all other material events up to the date of this report. The following discussion should be read in conjunction with the Company's February 28, 2019 annual audited financial statements and related notes..

The financial data included in the discussion provided in this report has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC"). All dollar amounts are in Canadian dollars, unless otherwise noted.

The Company's certifying officers are responsible for ensuring that the unaudited condensed interim financial statements and MD&A do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that the unaudited condensed interim financial statements and MD&A fairly present, in all material respects, the financial condition, results of operations and cash flows, of the Company as the date hereof.

DESCRIPTION AND OVERVIEW OF BUSINESS

Delrey Metals Corp. (the "Company") was incorporated on October 18, 2017 under the Business Corporations Act of British Columbia. The Company's head office address is 4302 – 1151 West Georgia Street, Vancouver, BC. The registered office address is located at 800 – 885 West Georgia Street, Vancouver, BC. The Company's common shares began trading on the Canadian Securities Exchange (the "CSE") on October 24, 2018, under the symbol "DLRY". The Company's consolidated financial statements include the financial statements of the following subsidiaries:

Company	Place of Incorporation	Effective Interest
BC Vanadium Corp. ("BCVC")	British Columbia	100%
WEM Western Energy Metals Ltd. ("WEM")	British Columbia	100%

The principal business of the Company is the exploration and evaluation of mineral property interests. The success of the Company will be dependent on obtaining the necessary financing to evaluate and pursue these opportunities.

The Company's consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue in the normal course of operations is dependent on its ability to raise equity financing or through the sale of its investments at amounts favorable to the Company. 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 estimates there is sufficient working capital as at February 28, 2019 to continue current operations for the next twelve months. These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

PERFORMANCE SUMMARY AND SUBSEQUENT EVENTS

During the year ended February 28, 2019, the Company:

- entered into and closed a share exchange agreement with BC Vanadium Corp. ("BCVC"), a private arm's length corporation, to acquire all of the issued and outstanding shares capital of BCVC. Pursuant to the terms of the Share Exchange Agreement, the Company issued 5,500,000 common shares of the Company and repaid debt of $10,000 owed to a creditor of BCVC. BCVC owns a 100 percent undivided, unencumbered legal and beneficial interest in both the Star and the Porcher Vanadium properties, located in northwestern British Columbia;

- entered into and closed a share exchange agreement with WEM Western Energy Metals Ltd. ("WEM"), a private arm's length corporation, to acquire all of the issued and outstanding shares capital of WEM. Pursuant to the terms of the Share Exchange Agreement, the Company issued 4,250,000 common shares of the Company and repaid debt of $10,000 owed to a creditor of WEM. WEM owns a 100-per-cent undivided, unencumbered legal and beneficial interest in both the Peneece and the Blackie vanadium properties, located in British Columbia.

- granted 2,388,000 stock options to various officers, directors, and consultants valued at $448,650 using the Black-Scholes Option Pricing Model. Each option entitles the holder to purchase a common share of the Company at a price of $0.25 for a period of five years from grant;

- closed its initial public offering ("IPO) by issuing 7,500,000 common shares at a price of $0.20 per common share for gross proceeds of $1,500,000. In conjunction with the IPO, the Company paid total cash commissions of $135,000 and granted an aggregate of 675,000 agents' options, each of which entitles the holder thereof to purchase one common share of the Company at a price of $0.20 per common share for a period of 24 months from the date of issuance. The Company incurred additional closing and legal fees of $175,140;

- completed a private placement by issuing 3,600,000 common shares at a price of $0.075 per common share for gross proceeds for $270,000; and

- issued 666,667 common shares with a fair value of $0.075 per common share, for a total value of $50,000, in connection with the Sunset Mining Property agreement.

Subsequent to the year ended February 28, 2019, the Company:

- granted an aggregate of 500,000 stock options to various consultants with a life of 5 years and exercise price of $0.25;

- entered into a mineral property option agreement to acquire an undivided 80% right, title, and interest in the Four Corners Project, located in west-central Newfoundland, as discussed below. The Company has made initial payments on the option by paying $50,000 and issuing 1,200,000 common shares; and

- granted 600,000 stock options to a consultant with a life of 5 years and exercise price of $0.13. These options were subsequent exercised for proceeds of $78,000.

EXPLORATION AND EVALUATION ASSETS

A continuity of the Company's exploration and evaluation assets for the year ended February 28, 2019 is as follows:

	Sunset	Star / Porcher	Blackie / Peneece	Total
Acquisition costs:				
Balance, October 18, 2017	$ -	$ -	$ -	$ -
Additions	15,000	-	-	15,000
Balance, February 28, 2018	15,000	-	-	15,000
Additions	50,000	730,000	500,000	1,280,000
Balance, February 28, 2019	65,000	730,000	500,000	1,295,000
Exploration costs:				
Balance, October 18, 2017	-	-	-	-
Supplies and other	3,000	-	-	3,000
Balance, February 28, 2018	3,000	-	-	3,000
Field Personnel	59,000	-	-	59,000
Sampling	21,182	-	-	21,182
Supplies and other	2,615	-	-	2,615
Travel and meals	17,698	-	-	17,698
Balance, February 28, 2019	103,495	-	-	103,495
Balance, February 28, 2018	$ 18,000	$ -	$ -	$ 18,000
Balance, February 28, 2019	$ 168,495	$ 730,000	$ 500,000	$ 1,398,495

Sunset Mining Property, British Columbia

On November 7, 2017, the Company entered into an agreement, whereby it will have the right to earn a 100% interest in the Sunset Property consisting of four mineral claims.

The Company will earn a 100% interest in the Property subject to a 2% Net Smelter Royalty, by completing $1,000,000 in exploration, making cash payments of $15,000 (paid) and issuing 666,667 common shares (issued during the year ended February 28, 2019) of the Company to the optionor.

The Company will incur $1,000,000 of exploration on the property as follows:

By September 30, 2018	$	100,000	*(completed during the year ended February 28, 2019)*
By June 30, 2019		200,000	
By June 30, 2020		700,000	
	$	1,000,000	

BCVC Projects, British Columbia

On December 6, 2018, pursuant to the terms of a share purchase agreement between the Company and the shareholders of BCVC, the Company acquired 100% of issued and outstanding common shares of BCVC in exchange for 5,500,000 common shares of the Company valued at $1,980,000 and agreement to repay $10,000 in BCVC's existing payables. The acquisition of BCVC was accounted for as an asset acquisition. The Company determined that of the 5,500,000 common shares issued, 3,500,000 common shares with a fair value of $1,260,000 were compensatory in nature and recognized these as share-based payments for the year ended February 28, 2019. The remaining 2,000,000 common shares issued were considered as the purchase price consideration of BCVC. BCVC owns a 100% interest in the Star and the Porcher vanadium properties, located in northwestern British Columbia.

WEM Projects, British Columbia

On December 12, 2018, pursuant to the terms of a share purchase agreement between the Company and the shareholders of WEM, the Company acquired 100% of issued and outstanding common shares of WEM in exchange for 4,250,000 common shares of the Company valued at $1,041,250 and agreement to repay $10,000 in WEM's existing payables. The acquisition of WEM was accounted for as an asset acquisition. The Company determined that of the 4,250,000 common shares issued, 2,250,000 common shares with a fair value of $551,250 were compensatory in nature and recognized these as share-based payments for the year ended February 28, 2019. The remaining 2,000,000 common shares issued were considered as the purchase price consideration of WEM. WEM owns a 100% interest in the Blackie and the Peneece vanadium properties, located in northwestern British Columbia.

Four Corners Project, Newfoundland

Subsequent to the year ended February 28, 2019, the Company entered into a mineral property option agreement to acquire an undivided 80% right, title, and interest in the Four Corners Project, located in west-central Newfoundland. The option will be deemed to be exercised by the Company upon the Company:

a) paying the following amounts to the optionor:

- $25,000 upon entry into the term sheet (paid subsequent to February 28, 2019);
- $25,000 upon executing the option agreement (paid subsequent to February 28, 2019);
- $50,000 on or before the first anniversary date;
- $50,000 on or before the second anniversary date;
- $50,000 on or before the third anniversary date; and
- $250,000 on or before the earlier of the fourth anniversary date or the 30th day after completion of an approved exploration program.

b) issuing the following amounts of common shares to the optionor:

- 1,200,000 upon executing the option agreement (issued subsequent to February 28, 2019);
- 2,600,000 on or before the first anniversary date;
- 3,600,000 on or before the second anniversary date;
- 2,600,000 on or before the third anniversary date; and
- 2,000,000 on or before the fourth anniversary date.

c) incurring the following exploration expenditures:

- $1,000,000 on or before the first anniversary date;
- $2,000,000 on or before the second anniversary date;
- $1,000,000 on or before the third anniversary date; and
- $1,000,000 on or before the fourth anniversary date.

SELECTED ANNUAL INFORMATION

	Year ended February 28, 2019	Period from incorporation on October 17, 2018 to February 28, 2018
Total Assets	$ 2,873,694	$ 606,453
Shareholders' equity	2,496,168	597,328
Revenue	-	-
Comprehensive Loss	(3,099,707)	(19,483)
Basic and diluted loss per share	(0.16)	(0.01)

RESULTS OF OPERATIONS

During the year ended February 28, 2019, the Company incurred a loss of $3,099,707 (period from incorporation on October 18, 2017 to February 28, 2018 - $19,483). Significant expenditures include the following:

Consulting fees – increased to $170,000 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $7,500) and represent corporate consulting fees in support of the Company as it proceeds with acquisition and exploration activities.

Investor relations fees – increased to $396,207 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $nil). As the Company has become public, it has undergone significant investor relations and shareholder communications programs to promote and support healthy growth.

Management fees – increased to $83,500 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $nil) and represents fees paid to the Company's Chief Executive Officer, Chief Financial Officer, and corporate secretary.

Office Costs – increased to $17,993 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $205) and represent various general and administrative costs required in setting up and maintaining the Company's corporate head office.

Professional fees – increased to $64,093 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $11,717) and relate primarily to accounting fees billed by the Company's former Chief Financial Officer and for corporate legal fees provided in support of the Company's public listing.

Rent – increased to $42,500 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $nil) as the Company entered into a lease agreement for its corporate head office in Vancouver, BC during the current period.

Share-based payments – increased to $2,259,900 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $nil) and represent a non-recurring, non-cash expense related to the fair value of 2,388,000 stock options granted to various officers, directors, and consultants during the year valued at $448,650 and an aggregate of 5,750,000 common shares issued to the former shareholders of BCVC and WEM on the acquisitions of the entities that Company considered to be compensatory in nature with a value of $1,811,250.

Transfer agent and filing fees – increased to $40,861 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $nil) and relate to fees incurred on its prospectus and public listing.

Travel and entertainment – increased to $18,340 for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $nil) and relate to expenditures required for business development and the identification of strategic acquisition targets.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes information derived from the Company's financial statements for all completed from incorporation:

	February 28, 2019	November 30, 2018	August 31, 2018
Total Assets	$ 2,873,694	$ 1,849,823	$ 798,928
Shareholders' equity	2,496,168	1,846,673	780,665
Revenue	-	-	-
Comprehensive Loss	(2,349,967)	(613,067)	(57,015)
Basic and diluted loss per share	(0.07)	(0.03)	(0.00)
	May 31, 2018	**February 28, 2018**	**October 18, 2017 to November 30, 2017**
Total Assets	$ 601,508	$ 606,453	$ 112,538
Shareholders' equity	567,670	597,328	112,338
Revenue	-	-	-
Comprehensive Loss	(79,658)	(19,321)	(162)
Basic and diluted loss per share	(0.01)	(0.00)	(162.00)

FOURTH QUARTER RESULTS

During the fourth quarter of the year ended February 28, 2019, the scope of the Company's operating expenditures was comparable with the third quarter. Subsequent to public listing in October 24, 2018, the Company has focused its efforts on supporting and maintaining its common shares and has thereby incurred higher investor relations fees. The Company has sought to obtain multiple projects for exploration and evaluation and during the fourth quarter it acquired two companies each holding two vanadium projects in British Columbia, for which the Company recognized share-based payments of $1,811,250 during the fourth quarter. Other operating activities during the quarter included management and consulting efforts involved in the pursuit and assessment of these acquisition targets.

LIQUIDITY AND CAPITAL RESOURCES

The Company has not generated any cash flow from operations. Delrey's financial success relies on management's ability find economically recoverable reserves in its exploration and evaluation asset.

In order to finance the acquisition of assets or a business and corporate overhead, the Company will be dependent on investor sentiment remaining positive towards the junior companies, and towards Delrey Metals Corp., in particular, so that funds can be raised through the sale of the Company's securities. Many factors have an influence on investor sentiment, including a positive climate from investors to support junior exploration companies, a company's track record and the experience and calibre of a company's management. There is no certainty that equity funding will be available at the times and in the amounts required to fund the Company's activities. Note 1 of the Company's 2019 audited financial statements further discusses the going concern issue. The financial statements do not include any adjustments that might result from these uncertainties.

The Company plans on financing its continued activities through equity financings. It is anticipated as general sentiment towards junior exploration companies remains positive, the Company can raise the necessary capital to secure and finance the acquisition of assets or a business. Debt financing has not been used to fund asset and business acquisitions; the Company has no current plans to use such financing. There are no other sources of financing that have been arranged by the Company.

The Company's working capital for the year ended February 28, 2019 was $1,089,077 compared to a working capital of $579,328 as at February 28, 2018. The increase can be primarily attributed to the private placement for gross proceeds of $270,000 on the issuance of 3,600,000 common shares during the current period along with the IPO for gross proceeds of $1,500,000 on the issuance of 7,500,000 common shares.

Cash and Financial Conditions

The Company had a cash balance of $1,231,092 as at February 28, 2019 compared to a cash balance of $562,418 as at February 28, 2018.

Operating activities: The Company used $704,651 in operations for the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 – generated loss of $36,393).

Investing activities: The Company used $130,322 in investing activities for the year period ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 – $18,000) related to expenditures on furniture and fixtures and computer equipment of $9,827 (2018 - $nil) to furnish the Company's head office and $120,495 (2018 - $18,000) in exploration and evaluation activities on the Company's Sunset property.

Financing activities: The Company generated $1,503,647 from financing activities during the year ended February 28, 2019 (period from incorporation on October 18, 2017 to February 28, 2018 - $616,811). Proceeds included a total of $1,770,000 generated from the IPO and private placements and $18,787 from option exercises, less share issuance costs of $285,140. During the comparative period, the Company generated funds through share issuances.

SECURITIES OUTSTANDING

As at the date of this MD&A the Company has 35,526,606 (February 28, 2019 – 33,726,605) common shares outstanding, and 3,444,063 (February 28, 2018 – 2,944,063) stock options outstanding. As at the date of this MD&A and February 28, 2019, the Company did not have any warrants outstanding.

OUTLOOK

It is anticipated that in the continued and foreseeable future, Delrey will rely on the equity markets to meet its financing needs. Should cash flow build through its business operations, the Company will be in a position to finance other initiatives from cash flow.

Without continued external funding to pursue and finance any business opportunities, there is substantial doubt as to the Company's ability to operate as a going concern. Although Delrey has been successful in raising funds to date, there can be no assurance that additional funding will be available in the future.

Management and the Board of Directors continuously review and examine business proposals for the Company and conduct their due diligence in respect of the same.

OFF-BALANCE SHEET ARRANGEMENTS

At the date of this report, the Company had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

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 executive and non-executive members of the Company's Board of Directors, the Chief Executive Officer, and Chief Financial Officer.

	Management fees	Accounting fees	Consulting fees	Share-based payments	Total
Chief Executive Officer[(1)]	$ 62,500	$ -	$ 49,049	$ 37,575	$ 149,124
Chief Financial Officer	9,000	-	-	-	9,000
Former Chief Financial Officer	-	18,938	-	4,697	23,635
Non-executive directors	-	-	25,000	75,150	100,150
	$ 71,500	$ 18,938	$ 74,049	$ 117,422	$ 281,909

(1) Consulting fees comprise $49,049 in financing fees included in share issuance costs.

There were no key management personnel payments for the comparative year ended February 28, 2019.

As at February 28, 2019, $669 (2018 - $nil) was included in trade payables and accrued liabilities for fees owed to related parties and $20,000 (2018 - $nil) was included in prepaid expenses for amounts prepaid to related parties for travel advances and March 2019 management fees.

The terms of the Sunset Property agreement included a property option payment of $9,000 to Michael Blady, an optionor of the property and a director of the Company. Under the terms of the agreements, the Company issued 300,000 common shares of the Company to Michael Blady on April 1, 2018.

PROPOSED TRANSACTIONS

There are currently no proposed asset or business acquisitions or dispositions, other than those in the ordinary course of business before the board of directors for consideration.

CRITICAL ACCOUNTING ESTIMATES

Delrey Metals Corp. prepares its financial statements in accordance with International Financial Reporting Standard ("IFRS") and requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the 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.

Estimates and assumption where there is significant risk of material adjustments to assets and liabilities in future accounting period include the recoverability of the carry value of the exploration and evaluation assets, the measurements for financial instrument, the measurement of share-based payments and the recoverability of deferred tax assets.

RECENT ACCOUNTING PRONOUNCEMENTS

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended February 28, 2018 except for the adoption of IFRS 9 as discussed below.

We have adopted the new IFRS pronouncement for financial instruments as at March 1, 2018, in accordance with the transitional provisions outlined in the respective standard and described below. The adoption of the new IFRS pronouncement has not resulted in adjustments in previously reported figures and no change to the opening deficit balance as at March 1, 2018, under the IFRS 9 transition provisions.

Overview of Changes in IFRS 9

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement (IAS 39).

Under IFRS 9, on initial recognition, a financial asset or liability is classified at amortized cost or at fair value (either through other comprehensive income ("FVOCI") or profit or loss ("FVPL").

The classification of financial assets under IFRS 9 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 amortized cost if it meets both of the following conditions and is not designated at FVPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income (FVOCI).

For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.
Classification and Measurement Changes

We have assessed the classification and measurement of our financial assets and financial liabilities under IFRS 9 and have summarized the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 in the following table:

	Measurement Category	
	Original (IAS 39)	New (IFRS 9)
Financial Assets:		
Cash and cash equivalents	FVPL	FVPL
Receivables	Amortized cost	Amortized cost
Reclamation deposit	Amortized cost	Amortized cost
Financial Liabilities:		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

There has been no change in the measurement categories, carrying values or to previously reported figures of our financial instruments. The adoption of the Standard did not have a significant impact on the financial statements.

Impairment of financial assets

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.

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.

The Company has determined that the application of IFRS 9's impairment requirements as at March 1, 2018 does not result in any additional impairment allowances.

New standards not yet adopted

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

IFRS 16 Leases will be effective for accounting periods beginning on or after January 1, 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor').

The Company will be adopting IFRS 16 on March 1, 2019 using the modified retrospective approach and will not restate comparative amounts for the year prior to first adoption. For all leases, the lease liability will be measured at March 1, 2019 as the present value of any future minimum lease payments discounted using the appropriate incremental borrowing rate. The associated right of use assets will be measured at the amount equal to the lease liability on March 1, 2019. The Company's accounting for finance leases remained substantially unchanged.

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

FINANCIAL INSTRUMENTS AND RELATED RISKS

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

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

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

Risk management

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

Credit risk

Credit risk is the risk of an unexpected loss of a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash and reclamation bond are held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of Goods and Services Tax receivable from the government of Canada and the Company considers credit risk associated with these amounts to be low.

Liquidity risk

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

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

Market risk

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

a) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's practice has been to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions. As at February 28, 2019, the Company is not exposed to significant interest rate risk.

b) Foreign currency risk

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

c) Price risk

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

Capital management

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

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

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

FINANCIAL INSTRUMENTS

The fair value of the Company's amounts receivable and trades payable and accrued approximate their carrying value, which is the amount recorded on the statement of financial position, due to their short terms to maturity. The Company's cash is measured at fair value, under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this document includes forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Delrey Metals Corp.'s control, including but not limited to: general economic and business conditions, information included or implied in the various independently produced and published technical reports; cash flow projections; currency fluctuations; commodity price fluctuations; risks relating to our ability to obtain adequate financing for future activities; risks related to government regulations, including environmental regulations and other general market and industry conditions as well as those factors discussed in each management discussion and analysis, available on SEDAR at www.sedar.com.

Although Delrey Metals Corp. has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Delrey's actual results, programs and financial position could differ materially from those expressed in or implied by these forward-looking statements and accordingly, no assurance can be given that the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits Delrey will derive from them. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and as such, undue reliance should not be placed on forward-looking statements.

The Company believes that the expectations reflected in these forward looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and as such forward looking statements contained into this report should not be relied upon. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to assumptions about general business and economic conditions, the availability of financing for the Company, the ability to attract and retain skilled staff and the ability to identify and secure a quality asset or a business with a view of completing a transaction subject to receipt of shareholder approval and acceptance by regulatory authorities.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this MD&A. The Company will update forward-looking statements and information if and when, and to the extent required by applicable securities laws. Readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

ADDITIONAL SOURCES OF INFORMATION

Additional information relating to Delrey Metals Corp. can be found on the SEDAR website at www.sedar.com.