

~~A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in the Provinces of British Columbia, Alberta, Manitoba, Ontario and Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities in those jurisdictions.~~

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

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Idaho Champion Gold Mines Canada Inc., Suite 2702, 401 Bay Street, Toronto, Ontario, M5H 2Y4, Telephone: 416.477.7771 x 204, and are also available electronically at www.sedar.com.

~~PRELIMINARY~~ SHORT FORM PROSPECTUS

New Issue

July 14, 2020



Idaho Champion Gold Mines Canada Inc.

\$7,020,000
23,400,000 Units

This short form prospectus (the “**Prospectus**”) is being filed to qualify the distribution (the “**Offering**”) by Idaho Champion Gold Mines Canada Inc. (“**Idaho Champion**” or the “**Company**”) of 23,400,000 units (the “**Units**”) at a price of \$0.30 per Unit (the “**Offering Price**”), for gross proceeds of \$7,020,000. Each Unit consists of one common share in the capital of the Company (each, a “**Unit Share**”) and one-half of one common share purchase warrant of the Company (each whole warrant, a “**Warrant**”). Each Warrant shall entitle the holder thereof to purchase, subject to adjustment in certain circumstances, one common share in the capital of the Company (each, a “**Warrant Share**”) at an exercise price of \$0.45 (the “**Exercise Price**”) per Warrant Share at any time on or before the date which is 36 months after the closing of the Offering (the “**Expiry Date**”). The Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) dated as of the Closing Date (as defined below) to be entered into between the Company and Computershare Trust Company of Canada, as warrant agent (the “**Warrant Agent**”) that will provide for, among other things, standard anti-dilution provisions and other terms and conditions customary for such agreements. See “Description of Securities Being Distributed”. The Offering is made pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated July 14, 2020 between the Company, Beacon Securities Limited (“**Beacon**”), as lead underwriter, Echelon Wealth Partners Inc. and PI Financial Corp. (collectively with Beacon, the “**Underwriters**”). The Offering Price has been determined by arm’s length negotiation between the Company and Beacon, on behalf of the Underwriters, with reference to the prevailing market price of the common shares in the capital of the Company (the “**Common Shares**”) on the Canadian Securities Exchange (the “**CSE**”). See “Plan of Distribution”.

The Common Shares are listed and posted for trading on the CSE under the symbol “ITKO”. The Common Shares are also quoted for trading in the United States on the Pink market of the OTC Markets Group platform (“**OTC**”) under the symbol “GLDRF”. On July 7, 2020, the last trading day prior to the date of the announcement of the Offering, the closing price of

the Common Shares on the CSE was \$0.37 and on OTC was US\$0.26. On July ~~13, 2020~~, 2020, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the CSE was ~~\$0.275~~\$0.31 and on OTC was ~~US\$0.2302~~0.23. The Company has applied to list the Unit Shares, the Warrant Shares, the Broker Warrant Shares, the Work Fee Shares, and the Work Fee Warrant Shares (all as defined below) on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the CSE.

Price: \$0.30 per Unit

	<u>Price to the Public</u>	<u>Underwriters' Fee⁽¹⁾</u>	<u>Net Proceeds to the Company⁽²⁾</u>
Per Unit.....	\$0.30	\$0.021	\$0.279
Total ⁽³⁾	\$7,020,000	\$491,400	\$6,528,600

- (1) In consideration for the services rendered by the Underwriters in connection with the Offering, the Company has agreed to pay the Underwriters a cash fee representing 7% of the gross proceeds of the Offering (the “**Underwriters’ Fee**”), including proceeds realized from the sale of any Additional Securities (as defined below) issued pursuant to the exercise of the Over-Allotment Option (as defined below). In addition, the Company has agreed to grant to the Underwriters, on the completion of the Offering, that number of non-transferable broker warrants (the “**Broker Warrants**”) as is equal to 7% of the aggregate number of Units sold pursuant to the Offering, including any Additional Securities (as defined below) sold pursuant to the exercise of the Over-Allotment Option. Each Broker Warrant is exercisable to acquire one Common Share (each, a “**Broker Warrant Share**”) at a price of \$0.30 per Broker Warrant Share for a period of 24 months from the Closing Date. The Company has also agreed to pay Beacon a work fee of \$150,000 (the “**Work Fee**”), which fee is expected to be satisfied through the issuance of Units at a deemed price equal to the Offering Price (the “**Work Fee Units**”) on completion of the Offering. Each Work Fee Unit will consist of one Unit Share (a “**Work Fee Share**”) and one-half of one Warrant (each whole Warrant issued in satisfaction of the Work Fee, a “**Work Fee Warrant**”). Each Work Fee Warrant will be exercisable to acquire one additional common share (a “**Work Fee Warrant Share**”) at an exercise price of \$0.45 until the Expiry Date. This Prospectus also qualifies the distribution of the Broker Warrants and the Work Fee Units. See “Plan of Distribution”.
- (2) After deducting the Underwriters’ Fee but before deducting the expenses of the Offering, which are estimated to be approximately \$450,000, which, together with the Underwriters’ Fee, will be paid from the gross proceeds of the Offering.
- (3) The Company has granted the Underwriters an option (the “**Over-Allotment Option**”), exercisable in whole or in part at the sole discretion of the Underwriters, at any time up to 30 days from and including the Closing Date, to arrange for the purchase of up to 3,510,000 additional Units (the “**Additional Units**”) at the Offering Price, and/or up to 3,510,000 additional Unit Shares (the “**Additional Unit Shares**”) at a price of \$0.29 per Additional Unit Share and/or up to 1,755,000 additional Warrants (the “**Additional Warrants**”, together with the Additional Units and the Additional Unit Shares, the “**Additional Securities**”) at a price of \$0.02 per Additional Warrant, or any combination thereof, to cover

over-allotments, if any, and for market stabilization purposes. For the avoidance of doubt, a maximum of 15% in the aggregate of the respective

number of Unit Shares and Warrants sold on the Closing Date may be issued pursuant to the exercise of the Over-Allotment Option. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Additional Securities. Unless the context requires otherwise, all references to “Units” in this Prospectus shall include Additional Securities. A purchaser who acquires securities forming part of the Underwriters’ over-allocation position acquires those securities under this Prospectus regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, “Underwriters’ Fee” and “Net Proceeds to the Company” will be \$8,073,000, \$715,110 and \$7,357,890, respectively. See “Plan of Distribution”.

The following table sets forth the maximum number of Additional Securities issuable under the Over-Allotment Option, the maximum number of Broker Warrant Shares issuable upon exercise of the Broker Warrants, and the maximum number of Work Fee Units, Work Fee Shares and Work Fee Warrants issuable in satisfaction of the Work Fee.

<u>Underwriters’ Position</u>	<u>Maximum Size</u>	<u>Exercise Period</u>	<u>Exercise Price</u>
Over-Allotment Option	3,510,000 Additional Units, 3,510,000 Additional Unit Shares and/or 1,755,000 Additional Warrants	Up to 30 days from the Closing Date	\$0.30 per Additional Unit \$0.29 per Additional Unit Share \$0.02 per Additional Warrant
Broker Warrants	1,883,700 Broker Warrants (assuming full exercise of the Over-Allotment Option)	24 months from the Closing Date	\$0.30 per Broker Warrant
Work Fee Units	500,000 Work Fee Units consisting of 500,000 Work Fee Shares and 250,000 Work	The Work Fee will be earned and the Work Fee Units will be issued on the	The Work Fee will be earned and the Work Fee Units will be issued on the Closing Date.

Fee Warrants

Closing Date. The Work Fee
Warrants are exercisable
until the Expiry Date

\$0.45 per Work Fee Warrant

Unless the context otherwise requires, when used herein, all references to the “Offering”, “Units”, “Unit Shares”, “Warrants”, “Warrant Shares”, “Broker Warrants” and “Broker Warrant Shares” include all securities issuable upon exercise of the Over-Allotment Option.

The Underwriters, as principals, conditionally offer the Units, subject to prior sale, if, as and when issued, sold and delivered by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “Plan of Distribution”, and subject to the approval of certain legal matters on behalf of the Company by Fasken Martineau DuMoulin LLP, and on behalf of the Underwriters by Cassels Brock & Blackwell LLP.

All dollar amounts in this Prospectus refer to Canadian dollars, unless otherwise indicated.

An investment in the Units is highly speculative and involves a high degree of risk that should be carefully considered by prospective investors before purchasing such securities. Prospective investors should consider the risk factors described under “Risk Factors” in this Prospectus, in the Annual Information Form (as defined herein) and in the other documents incorporated by reference in this Prospectus, which can be found under the Company’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com, before purchasing the Units. See “Cautionary Statement Regarding Forward-Looking Information” and “Risk Factors”.

The Underwriters propose to offer the Units initially at the Offering Price. After the Underwriters have made commercially reasonable efforts to sell all of the Units at the Offering Price, the selling price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price. Any such reduction will have the effect of reducing the compensation realized by the Underwriters by the amount that the aggregate price paid by purchasers for the Units is less than the gross proceeds to be paid by the Underwriters to the Company. Any reduction to the Offering Price will not affect the net proceeds received by the Company. See “Plan of Distribution”.

Subject to applicable laws and in connection with the Offering, the Underwriters may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “Plan of Distribution”.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about July 30, 2020 or such earlier or later date as may be agreed upon by the Company and Beacon, on behalf of the Underwriters (the “Closing Date”), however the Units are to be taken up by the Underwriters, if at all, on or before a date that is not later than 42 days after the date of the receipt for ~~the final short form prospectus~~ [this Prospectus](#) relating to the Offering. See “Plan of Distribution”.

There is currently no market through which the Warrants can be sold and purchasers may not be able to resell Warrants acquired hereunder. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation. See “Risk Factors”.

Other than pursuant to certain exceptions, it is anticipated that the Units will be issued through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee and will be deposited or registered in electronic form with CDS on the Closing Date. A purchaser of Units will receive only a customer confirmation from the Underwriters or other registered dealer who is a CDS participant (a “CDS Participant”) through which the Units are purchased and, other than in limited circumstances, will not receive a certificate evidencing the Units Shares and Warrants comprising the Units. Purchasers who are not issued a certificate evidencing Unit Shares and Warrants comprising the Units which are subscribed for by them at closing may request that a certificate be issued in their name. Such a request will need to be made through the CDS Participant through whom the beneficial interest in the securities is held at the time of the request.

You should rely only on the information contained in or incorporated by reference into this Prospectus. The Company has not authorized anyone to provide you with different or additional information. The Company is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that

the information contained in this Prospectus or incorporated by reference in this Prospectus is accurate as of any date other than the date on the cover page of this Prospectus or the date of the Annual Information Form or other documents incorporated by reference into this Prospectus, as applicable. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by applicable securities laws.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of Units, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Units. See “Certain Canadian Federal Income Tax Considerations.”

Mr. Greg Schifrin, a director of the Company, resides outside of Canada. Mr. Schifrin has appointed the Company, Suite 2702, 401 Bay Street, Toronto, Ontario, M5H 2Y4 as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

The registered and head office of the Company is located at Suite 2702, 401 Bay Street, Toronto, Ontario, M5H 2Y4.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and documents incorporated by reference herein contain certain statements, which may constitute “forward-looking information” under Canadian securities laws and “forward-looking statements” under applicable United States securities laws (collectively, “**forward-looking information**”). Forward-looking information typically contains statements with words such as “plan”, “expect”, “anticipate”, “budget”, “forecast”, “estimate”, “predict”, “project”, “strategy”, “goals”, “objectives”, “will”, “could”, “would”, “should”, “may”, “might”, “intend”, “believe”, “potential”, “target”, “targeting” or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information is based on the current estimates, opinions and beliefs of the Company, as well as various assumptions and information currently available to the Company. All statements other than statements of historical fact contained in this Prospectus and in the documents incorporated by reference in this Prospectus may constitute forward looking information including, but not limited to, statements with respect to the Company’s future financial position and results of operations, strategy, plans, objectives, goals and targets, completion of the Offering and the intended use of proceeds of the Offering.

Forward-looking information involves known and unknown risks and uncertainties and other factors, including those described under the heading “Risk Factors” herein, under the heading “Risk Factors” in the Annual Information Form and in the other documents incorporated by reference herein, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. These factors include, among others, additional funding requirements, commodity prices, global economic conditions, exploration, development and operating risks, political and foreign risk, uninsurable risks, competition, litigation, environmental regulation and liability, government regulation, currency fluctuations, losses and write-downs, the potential that the Offering may not close, dependence on key employees, accidents and labour disputes.

Forward-looking information is based on assumptions that the Company believes to be reasonable. Key assumptions upon which the Company’s forward-looking information is based include, but are not limited to:

- the timing and closing of the Offering;
- the satisfaction of the conditions of closing of the Offering, including the receipt, in a timely manner, of regulatory and other required approvals;
- the use of proceeds of the Offering;
- that the price of gold will not decline significantly or for a significant period of time;
- the expectations, assessments, parameters and inputs in the technical reports of the Company filed on SEDAR by the Company, from time to time;
- that the Company will have sufficient working capital and be able to secure additional funding necessary for the continued exploration and development of the Company’s property interests; ~~and~~
- that key personnel will continue their employment with the Company;
- [the public health crisis and ongoing impact of COVID-19 on the Company and its ability to conduct operations; and](#)
- [the timing for completion of the Company’s projected field work programs.](#)

Although the Company has attempted to identify important factors that could cause actual results to differ materially from expectations, intentions, estimates or forecasts, there may be other factors that could cause results to differ from what is anticipated, estimated or intended. Those factors are described or referred to below, under the heading “Risk Factors” in this Prospectus, and under the heading “Risk Factors” in the Annual Information Form and under the heading “Financial Instruments and Risk Management” in the Company’s management’s discussion and analysis of financial position and results of operation for the year ended December 31, 2019, both of which are incorporated by reference herein and are available under the Company’s profile on SEDAR at www.sedar.com and, as applicable, in other documents incorporated by reference in this Prospectus. Although the Company believes the

expectations expressed in such forward-looking information are based on reasonable assumptions, there can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than where a duty to update such information or provide further disclosure is imposed by applicable law. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information in a document incorporated by reference in this Prospectus is made as at the date of the original document and has not been updated by the Company except as expressly provided for in this Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. The following documents filed with the securities commission or similar regulatory authority in Canada are available under the Company's profile on SEDAR at www.sedar.com and are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the Company's [revised](#) annual information form dated July ~~6, 2019~~, 2020, with respect to the year ended December 31, 2019 (the "**Annual Information Form**");
- (b) the audited consolidated financial statements of the Company as at and for the financial years ended December 31, 2019 and 2018, together with the notes thereto and the auditors' report thereon;
- (c) management's discussion and analysis of financial position and results of operations for the financial year ended December 31, 2019;
- (d) the unaudited condensed consolidated interim financial statements of the Company for the three months ended March 31, 2020 (the "**Interim Financial Statements**");
- (e) management's discussion and analysis of financial position and results of operations of the Company for the three months ended March 31, 2020, other than the notice of no auditor review included therein (the "**Interim MD&A**");
- (f) the management information circular of the Company dated October 3, 2019, with respect to the annual meeting of shareholders of Idaho Champion on November 12, 2019;
- (g) the material change report dated March 13, 2020, with respect to completion of the final tranche of a non-brokered private placement; ~~and~~
- (h) the material change report dated February 26, 2020, with respect to completion of the second tranche of a non-brokered private placement; ~~and~~
- [\(i\) the material change report dated July 15, 2020, with respect to the announcement of the Offering;](#)
- [\(j\) the template version of the term sheet for the Offering dated as of July 8, 2020; and](#)
- [\(k\) the template version of the term sheet for the Offering dated as of July 9, 2020.](#)

Material change reports (other than confidential reports), business acquisition reports, interim financial statements and all other documents of the type referred to in Item 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* if filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and before completion or withdrawal of the Offering will be deemed to be incorporated by reference into this Prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or

superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

References to our website in any documents that are incorporated by reference into this Prospectus do not incorporate by reference the information on such website into this Prospectus, and we disclaim any such incorporation by reference. The filings of the Company on SEDAR are not incorporated by reference in this Prospectus except as specifically set out herein.

Copies of the documents incorporated herein by reference may also be obtained on request without charge from the Corporate Secretary of Idaho Champion Gold Mines Canada Inc., Suite 2702, 401 Bay Street, Toronto, Ontario, M5H 2Y4, Telephone: 416.477.7771 x 204.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (as defined in National Instrument 41-101 – *General Prospectus Requirements*) that the Underwriters use in connection with the Offering are not part of this Prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus. Any template version of any marketing materials that will be filed on SEDAR at www.sedar.com after the date of this Prospectus but before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the marketing materials) will be deemed to be incorporated by reference in this Prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Company, and Cassels Brock & Blackwell LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”), the regulations thereunder (the “**Regulations**”) in force on the date hereof, Unit Shares, Warrants and Warrant Shares, if issued on the date hereof, will be “qualified investments” under the Tax Act for a trust governed by a “registered retirement savings plan”, a “registered retirement income fund”, a “registered education savings plan”, a “registered disability savings plan”, a “tax-free savings account” (each one a “**Registered Plan**”), or a “deferred profit sharing plan” (“**DPSP**”) (as those terms are defined in the Tax Act), provided that: (a) in the case of Unit Shares and Warrant Shares, the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the CSE); and (b) in the case of Warrants, the Warrant Shares are listed as described in (a), and the Company is not, and deals at arm's length with each person who is, an annuitant, a beneficiary, an employer, a subscriber under, or a holder of such Registered Plan or DPSP.

Notwithstanding that Unit Shares, Warrants and Warrant Shares may be a qualified investment for a Registered Plan, if such securities are a “prohibited investment” within the meaning of the Tax Act for the particular Registered Plan, the annuitant, holder, or subscriber of the Registered Plan, as the case may be, will be subject to a penalty tax as set out in the Tax Act. Unit Shares, Warrants and Warrant Shares will not generally be a “prohibited investment” for a Registered Plan if the holder, annuitant or subscriber, as the case may be, (i) deals at arm's length with the Company for the purposes of the Tax Act and (ii) does not have a “significant interest” (as defined in the Tax Act) in the Company. In addition, the Unit Shares and Warrant Shares will not be a “prohibited investment” if such securities are “excluded property” within the meaning of the Tax Act, for the Registered Plan.

Purchasers of Units who intend to hold the Units in a Registered Plan should consult their own tax advisers in regard to the application of the prohibited investment rules in their particular circumstances.

GENERAL MATTERS

In this Prospectus, unless otherwise indicated or the context otherwise requires, the terms “Idaho Champion”, “Company”, “we”, “us” and “our” are used to refer to Idaho Champion Gold Mines Canada Inc. inclusive of our subsidiaries.

The Company's website address is www.idahochamp.com. Information contained on the Company's website is not part of this Prospectus nor is it incorporated by reference herein. Prospective investors should rely only on the information contained or incorporated by reference in this Prospectus. The Company has not authorized any person to provide different information.

The Units being offered for sale under this Prospectus may only be sold in those jurisdictions in which offers and sales of the Units are permitted. This Prospectus is not an offer to sell or a solicitation of an offer to buy the Units in any jurisdiction where it is unlawful to do so. The information contained in this Prospectus is accurate only as of the date of this Prospectus, regardless of the time of delivery of this Prospectus or of any sale of the Units.

FINANCIAL INFORMATION AND CURRENCY TRANSLATION

In this Prospectus, unless otherwise indicated or the context otherwise requires, the terms "Idaho Champion", "Company", "we", "us" and "our" are used to refer to Idaho Champion Gold Mines Canada Inc. inclusive of our subsidiaries.

The Company prepares its financial statements in Canadian dollars, but incurs certain expenses in United States dollars. Unless otherwise indicated, all references to "\$" in this Prospectus are to Canadian dollars and all references to "US\$" are to United States dollars. As of July 13, 2020, the daily average exchange rate for United States dollars in terms of Canadian dollars as promulgated by the Bank of Canada was US\$1.00 = ~~\$1.3567~~ 1.34.

The financial statements of the Company incorporated by reference in this Prospectus are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

THE COMPANY

Idaho Champion is a junior mineral exploration company engaged in the business of acquisition, exploration and development of mineral properties. The Company is primarily focused on exploration and, if merited, development of the Baner Project (as defined below), located near Elk City, in northern Idaho and the Champagne Project (as defined below) near Idaho Falls. The Company also holds four claims blocks in Lemhi county, Idaho, comprising the Cobalt Project (as defined below). At present, the Company is an exploration stage company with no producing properties and consequently has no current operating income cash flow or revenues.

The Baner Project consists of 215 unpatented lode claims, covering approximately 4,225.5 acres (1,710 hectares). The Baner Project property consists of two parts: (i) the wholly owned, recently staked "BC Group" of claims (BC 1 through BC 202, 205-206), and (ii) the historic Baner property (collectively, the "**Baner Project**"). The first drill program on the property, 19 holes (over 5,000 metres) was completed in November 2018 and confirmed an initial gold discovery. Based on these positive results, and subject to funding, the Company proposes to undertake additional technical work and a second drill program to continue to delineate the gold discovery in three dimensions, with the longer term objective of establishing a mineral resource estimate.

In February 2018, the Company also staked 113 mineral claims near Idaho Falls covering approximately 936.3 hectares (2,313 acres) (the "**Champagne Project**"). The Champagne Project property hosted a producing open pit heap leach mine from 1990 to 1993 operated by BEMA Gold Company ("**BEMA**"). The Company acquired technical data with respect to the Champagne Project in March 2020 from Kinross Gold Company, (which acquired BEMA), and is in the process of analyzing it. The Company subsequently increased the Champagne Project area by staking 184 additional unpatented federal mining claims surrounding the Champagne Project, acquiring seven unpatented federal mining claims, five patented lode mining claims and one mill site patent (for a total of six patented claims) and entered into an option to lease, with an option to acquire, five additional unpatented claims.

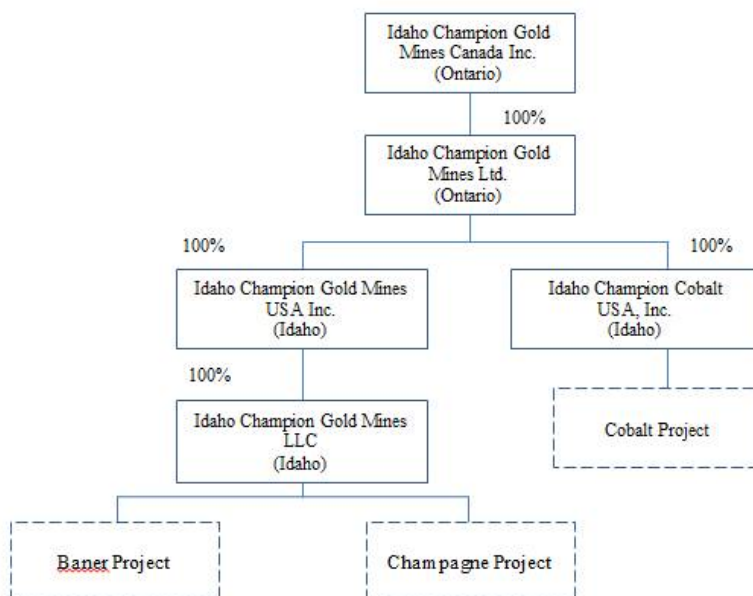
Idaho Champion also owns 622 staked mining claims covering approximately 6,871 hectares (16,975 acres) in northern Idaho, in four claim blocks, referred to as the Victory Project, the Fairway Project, the Twin Peaks Project and the Ulysses Project. Collectively, the Idaho cobalt properties are also referred to herein as the "Cobalt Project". While there is little current information available with respect to these areas, there is historical data

indicating that the area is prospective for cobalt. The Company does not consider the Cobalt Project to be a material property.

Corporate Structure

Idaho Champion was incorporated under *Canada Business Corporations Act* on March 17, 1997, and was continued under the *Business Corporations Act* (Ontario) on September 18, 2018. The Company was formerly known as GoldTrain Resources Inc. (“**GoldTrain**”). On September 18, 2018, the Company completed a reverse takeover transaction (the “**Transaction**”) with Idaho Champion Gold Mines Ltd., a corporation incorporated under the laws of Ontario (“**Old Champion**”) pursuant to which the Company acquired all of the issued and outstanding securities of Old Champion in exchange for shares of the Company. In conjunction with the completion of the Transaction, GoldTrain changed its name to “Idaho Champion Gold Mines Canada Inc.” The Transaction was effected by way of a three-cornered amalgamation, pursuant to which a wholly-owned Ontario-incorporated subsidiary of GoldTrain amalgamated with Old Champion, with the resulting amalgamated company being a wholly-owned subsidiary of Idaho Champion.

The following diagram sets out the intercorporate relationships between Idaho Champion’s subsidiaries as of the date of this Prospectus, including the percentage ownership of voting securities and the jurisdiction of formation or existence of each subsidiary:



CONSOLIDATED CAPITALIZATION

Other than the issuance of 250,000 Common Shares as consideration for the acquisition of new properties and the issuance of ~~173,000~~905,000 Common Shares through the exercise of existing warrants of the Company, there have been no material changes to the Company’s share and loan capitalization on a consolidated basis since March 31, 2020, the date of the Interim Financial Statements.

As of the date of this Prospectus, the Company has ~~64,292,206~~64,992,206 Common Shares issued and outstanding, 4,875,000 options to acquire Common Shares outstanding and ~~24,982,771~~24,282,771 warrants to acquire Common Shares outstanding. Assuming completion of the Offering (assuming no exercise of the Over-Allotment Option and satisfaction of the Work Fee through the issuance of Work Fee Units), there will be an aggregate of ~~88,192,206~~88,892,206 Common Shares, ~~36,932,771~~36,232,771 warrants and 1,638,000 Broker Warrants issued and outstanding.

USE OF PROCEEDS

The estimated net proceeds received by the Company from the Offering (assuming no exercise of the Over-Allotment Option) will be ~~\$6,378,600~~6,528,600 (determined after deducting the Underwriters' Fee of \$491,400, but before deducting expenses related to the Offering estimated at \$450,000). If the Over-Allotment Option is exercised in full, the estimated net proceeds received by the Company from the Offering will be \$7,357,890 (determined after deducting the Underwriters' Fee of \$565,110, but before deducting estimated expenses of the Offering of \$450,000). The net proceeds from the exercise of the Over-Allotment Option, if any, will be used for general working capital purposes.

~~The Company currently intends to use the net proceeds to complete certain exploration activities at its Champagne Project and Baner Project in Idaho, USA and for general working capital purposes, as further detailed below.~~

The net proceeds to be received by the Company from the Offering (assuming no exercise of the Over-Allotment Option), after deducting the Underwriters' Fee of \$491,400 and estimated expenses of the Offering, of \$450,000, will be approximately ~~\$6.08 million~~6,078,000.

The Company intends to use the net proceeds of the Offering for exploration work on the Company's exploration properties in Idaho and for working capital and general corporate purposes, as follows:

Use of Proceeds:	Amount (\$)
Champagne Project	
Drilling.....	1,182,500
IP Survey.....225	225,000
Geochem Soil Survey.....	50,000
Lidar Survey.....	30,000
Program Supervision (3 months).....	45,000
Transportation and Accommodations (3 months).....	14,000
Contingency (10%).....	154,650
	\$1,701,150
Baner Project	
Structural Interpretation.....	30,000
Drilling.....	1,855,000
Assays.....	416,000
Metallurgical Studies.....	75,000
Desktop Work.....	44,000
Access/Permitting.....	14,000
Contingency (10%).....	285,000
	\$2,719,000
General and Administrative and Offering-related costs	1,125,000
<u>Management Fees</u>	<u>225,000</u>
<u>Consulting Fees</u>	<u>110,000</u>
<u>Professional Fees</u>	<u>140,000</u>
<u>Shareholder and Investor Relation Fees</u>	<u>125,000</u>
<u>Regulatory and Reporting Fees</u>	<u>40,000</u>
<u>Rent</u>	<u>15,000</u>
<u>General Administration</u>	<u>20,000</u>
	<u>\$675,000</u>
Working Capital	533,450 <u>\$983,450</u>
	<u>\$1,827,450</u>

Total.....

\$6,078,600

Although the Company intends to use the net proceeds from the Offering as set forth above, the actual use of the net proceeds may vary depending on future developments in the Company's mineral properties or unforeseen events, including those listed under the heading "Risk Factors" in this Prospectus and the Annual Information Form. Potential investors are cautioned that, notwithstanding the Company's current intentions regarding the use of the net proceeds of the Offering, there may be circumstances where a reallocation of the net proceeds may be advisable for reasons that management believes, in its discretion, are in the Company's best interests. In response to the COVID-19 pandemic, exploration at the Company's mineral properties may be impacted by state and federal government restrictions on the Company's operations. Potential stoppages on exploration activities could result in additional costs, project delays, cost overruns, and operational restart costs. The total amount of funds that the Company needs to carry out its proposed operations may increase from these and other consequences of the COVID-19 pandemic. See "Risk Factors".

The Company has not had any revenue-generating operations in its history and therefore has had negative operating cash flow since inception. There is no assurance that sufficient revenues will be generated in the near future to offset negative operating cash flow, and the Company expects to have negative cash flow for the foreseeable future. To the extent that the Company has negative operating cash flows in future periods, the Company may need to allocate a portion of its existing working capital to fund such negative cash flow or seek additional sources of funding. See "Risk Factors – Negative Operating Cash Flow".

The Company had a working capital ~~deficiency~~ balance of ~~\$8.2 million~~ 264,825 as at March 31, 2020, the most recent quarter end for which such data is available. As of the date of this Prospectus there have been no material changes in working capital since March 31, 2020.

Business Objectives and Milestones

The Company's business objective for the next 12 months is the ongoing exploration and development of the Champagne Project and the Baner Project.

The key milestones for the Company to achieve its objectives are the completion of the recommended work programs for each project, with an estimated cost of approximately \$1.7 million for the Champagne Project and approximately \$2.7 million on the Baner Project, as described in the table above.

The work program as set out in the amended technical report on the Champagne Project entitled "Technical Report on the Champagne Property, Arco, Idaho, U.S.A." prepared by Mr. Peter Karelse, P. Geo., of PK Geologic Services Ltd. and James Baughman, P. Geo., ~~dated~~ amended as of July 13, 21, 2020 with an effective date of June 21, 2020, includes a Phase 1 surface exploration program comprised of detailed geologic mapping, rock, soil and trench sampling in combination with ground geophysical surveys, and a lidar based digital terrain model and structural study. The work program is expected to comprise approximately 5,000 meters of reverse circulation drilling and include a small amount of follow-up field work along with metallurgical studies.

The work program as set out in the amended technical report on the Baner Project entitled "NI 43-101 Technical Report on the Baner Project, Updated from the August 2018 Report" prepared by Darren W. Lindsay, P. Geo. with an effective date of March 31, 2020 and ~~dated~~ amended as of July 2, 21, 2020 (the "**Baner Report**") includes a conceptual Phase 2 surface exploration program comprised of detailed geologic mapping, rock, soil and trench sampling. The work program is expected to comprise approximately 5,000 meters of HQ diamond drilling and include a small amount of follow-up field work along with metallurgical studies. As of the effective date of the Baner Report, an initial limited and phased work program of approximately \$1.36 million was proposed on the Baner Project given the uncertainty of financing available to the Company. The Baner Report contemplated that the scope and budget of a Phase 2 program would be based on the results of the Phase 1 work plan, but for the purposes of conceptual level planning it was assumed the plan would consist of a nominal \$3 million budget to undertake a much larger exploration and definition drill program. With the availability of the net proceeds of the Offering the Company intends to use the opportunity to complete the larger exploration program conceived of on the Baner Project to meet its stated business objectives.

Once the work programs have been completed on each of the Champagne Project and the Baner Project, the Company will evaluate the results and determine the next steps to pursue with respect to the future exploration activities. While the COVID-19 pandemic has not had a material impact to date on the Company's operations given the designation of mining and exploration businesses as essential in Idaho, the Company temporarily halted on-the-ground exploration work in late March, 2020 while it evaluated the impact of the pandemic. During the COVID-19 pandemic, the Company has managed operations from Toronto, engaged Idaho-based third party consultants to continue its on-the-ground operations (including additional staking) and focused on those activities that can be completed remotely. In particular, the Company has focused on evaluating its recently purchased Champagne Project property data and making its findings known to the public. The Company has also acquired new properties and claims through purchases and staking. The Company anticipates that ~~the work program will be completed within the next~~ exploration operations will recommence once contracts with service providers are finalized, expected in August 2020, and contractors can be mobilized, expected within 30 days of entering into a contract. The work program is expected to be completed within six to twelve months of commencement. Lab results of field work obtained during operations will also influence future operations. If there is a delay in recommencing exploration operations, or a substantial reduction of resumed activities at the Projects in order to meet new safety guidelines associated with COVID-19, the completion of the work program may be delayed.

Reconciliation of Use of Proceeds from Previous Offering

On March 6, 2020, the Company completed the third and final tranche of a non-brokered private placement offering of an aggregate of 15,052,343 units at the price \$0.08 per unit for aggregate gross proceeds of \$1,204,187.44 (the "Private Placement"). The following table sets out a comparison of the Company's expected use of the net proceeds from the Private Placement to the actual use of net proceeds. The net proceeds of the Private Placement were used for funding an exploration program at the Baner Project and the Champagne Project and for general working capital purposes, including addressing outstanding liabilities. The Company experienced a variance of approximately \$70,000 from its internally budgeted use of proceeds of the Private Placement due to limitations on field work expenditures as a result of the COVID-19 pandemic and associated restrictions on travel and personal interaction. Primarily, certain funds intended for ground exploration were used to acquire additional patented claims. There was no impact on the Company's achievement of its business objectives due to the variance.

Comparison of Disclosed Intended Use of Proceeds of Private Placement to Actual Use of Proceeds

<u>Disclosed Intended Use of Net Proceeds of the Private Placement⁽¹⁾</u>	<u>Amount</u>
<u>Exploration Program at Baner and Champagne Projects and General Working Capital Purposes</u>	<u>\$1,167,284</u>
<u>Total</u>	<u>\$1,167,284</u>
<u>Actual Use of Net Proceeds from the Private Placement</u>	
<u>Operational expenditures, including satisfaction of current liabilities, land tenure fees, permitting, geological consulting fees, exploration expenses, land acquisition and data acquisition</u>	<u>\$450,883</u>
<u>General corporate purposes, including satisfaction of current liabilities and general and administrative costs</u>	<u>\$716,401</u>
<u>Total</u>	<u>\$1,167,284</u>

(1) Gross Private Placement proceeds of \$1,204,187.44 net of offering costs of approximately \$36,900.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Company has agreed to sell and the Underwriters have agreed to purchase, as principals on a "bought deal" basis, in the respective percentages set forth in the Underwriting Agreement, on the Closing Date, an aggregate of 23,400,000 Units at the Offering Price for gross proceeds of \$7,020,000, payable in cash to the Company against delivery of the Unit Shares and Warrants comprising the Units.

The Company has granted the Underwriters the Over-Allotment Option, exercisable in whole or in part at the sole discretion of the Underwriters, at any time up to 30 days from and including the Closing Date, to arrange for the purchase of up to 3,510,000 Additional Units at the Offering Price and/or up to 3,510,000 Additional Unit Shares at a price of \$0.29 per Additional Unit Share and/or up to 1,755,000 Additional Warrants at a price of \$0.02 per

Additional Warrant, or any combination thereof, to cover over-allotments, if any, and for market stabilization

purposes. For the avoidance of doubt, a maximum of 15% in the aggregate of the respective number of Unit Shares and Warrants sold on the Closing Date may be issued pursuant to the exercise of the Over-Allotment Option. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Additional Securities. A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint, nor joint and several, and may be terminated at their discretion on the basis of "material adverse change out", "regulatory order out", "regulatory proceedings out", "disaster out", or "breach out" provisions in the Underwriting Agreement, and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Units if any of the Units are purchased under the Underwriting Agreement.

Each Unit will consist of one Unit Share and one-half of one Warrant. The Warrants will be created and issued pursuant to the terms of the Warrant Indenture to be dated as of the Closing Date between the Company and the Warrant Agent. Each Warrant will entitle the holder thereof to purchase, subject to adjustment in certain circumstances, one Warrant Share at the Exercise Price at any time prior to 5:00 p.m. (Toronto time) on the Expiry Date, after which time the Warrants will expire and be void and of no value. The Warrant Indenture will contain customary provisions designed to protect the holders of Warrants against dilution upon the occurrence of certain events. No fractional Warrant Shares will be issued upon the exercise of any Warrants. See "Description of Securities Being Distributed".

Subject to applicable law, the Underwriters may offer to sell the Units outside of Canada and the United States, in each case in accordance with applicable laws provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction. The Company has applied to list the Unit Shares, Warrant Shares, Broker Warrant Shares, Work Fee Shares, and Work Fee Warrant Shares distributed under this Prospectus on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE.

In consideration for the services rendered by the Underwriters in connection with the Offering, the Company has agreed to pay the Underwriters the Underwriters' Fee equal to 7% of the gross proceeds of the Offering, including proceeds realized from the sale of any Additional Securities. The aggregate Underwriters' Fee will be \$491,400, assuming no exercise of the Over-Allotment Option. If the Over-Allotment Option is exercised, the aggregate Underwriters' Fee will be \$565,110. In addition, the Company has agreed to issue to the Underwriters, on the completion of the Offering, that number of Broker Warrants as is equal to 7% of the aggregate number of Units sold pursuant to the Offering, including any Additional Securities sold pursuant to the exercise of the Over-Allotment Option. Each Broker Warrant is exercisable to acquire one Broker Warrant Share at the Offering Price for a period of 24 months from the Closing Date. The Company has also agreed to pay Beacon the Work Fee in the amount of \$150,000, which fee is expected to be satisfied through the issuance of Work Fee Units at a deemed price equal to the Offering Price. Each Work Fee Unit will consist of one Work Fee Share and one-half of one Work Fee Warrant. Each Work Fee Warrant is exercisable to acquire one Work Fee Warrant Share at a price of \$0.45 until the Expiry Date. This Prospectus also qualifies the distribution of the Broker Warrants and the Work Fee Units.

Pursuant to the Underwriting Agreement, the Company has agreed that, other than with respect to the Additional Securities, if any, the Company shall not issue, or agree to issue, the Company agrees that, from the date hereof and continuing for a period of 90 days from the Closing Date, it will not, directly or indirectly, without the prior written consent of Beacon, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of (or agree to or announce any intention to do any of the foregoing), any additional Common Shares or any securities convertible into or

exchangeable for Common Shares, other than issuances: (i) under existing director or employee stock options, bonus or purchase plans or similar share or equity-linked compensation arrangements as detailed in the Interim MD&A; (ii) under director or employee stock options or bonuses granted subsequently in accordance with regulatory approval and in a manner consistent with the Company's past practice; (iii) upon the exercise of currently outstanding convertible securities, warrants or options; or (iv) pursuant to previously announced payments and/or other corporate acquisitions.

The Company has also agreed to use its best efforts to cause each of the officers, directors and principal shareholders of the Company to enter into lock-up agreements in favour of the Underwriters, pursuant to which each such individual will agree, for a period ending 90 days following the Closing Date, not to, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, lend, swap, or otherwise dispose of, transfer, assign, or announce any intention to do so, any Common Shares or any securities convertible into or exchangeable for Common Shares, subject to certain exceptions, without the prior written consent of Beacon, on behalf of the Underwriters.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the Closing Date will occur on or about July 30, 2020, or such earlier or later date as may be mutually agreed to by the Company and Beacon, on behalf of the Underwriters. Notwithstanding the foregoing, the Units are to be taken up by the Underwriters, if at all, on or before a date that is not less than 42 days after the date of the receipt for ~~the final short form prospectus~~[this Prospectus](#).

It is anticipated that the Units will be issued through CDS or its nominee and will be deposited or registered in electronic form with CDS on the Closing Date. A purchaser of Units will receive only a customer confirmation from the Underwriters or other CDS Participant through which the Units are purchased and, other than in limited circumstances, will not receive a certificate evidencing the Unit Shares and Warrants comprising the Units. Purchasers who are not issued a certificate evidencing the Common Shares which are subscribed for by them at closing may request that a certificate be issued in their name. Such a request will need to be made through the CDS Participant through whom the beneficial interest in the securities is held at the time of the request.

The Company has agreed, pursuant to the Underwriting Agreement, to indemnify the Underwriters and their respective affiliates and each of their respective directors, officers, employees, partners, agents, advisors and securityholders, harmless from and against certain losses, claims, suits, liabilities, costs, damages, or expenses, including liabilities under Canadian securities legislation in certain circumstances or to contribute to payments the Underwriters may have to make because of such liabilities. The Company will be responsible for all expenses relating to the Offering, whether or not it is completed, including the reasonable fees and disbursements of legal counsel to the Underwriters and the Underwriters' reasonable out-of-pocket expenses. At the option of the Underwriters, such fees and expenses may be deducted from the gross proceeds otherwise payable to the Company on the Closing Date.

The Underwriters propose to offer the Units initially at the Offering Price. After the Underwriters have made commercially reasonable efforts to sell all of the Units at the Offering Price, the selling price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price. Any such reduction will have the effect of reducing the compensation realized by the Underwriters by the amount that the aggregate price paid by purchasers for the Units is less than the gross proceeds to be paid by the Underwriters to the Company. Any reduction to the Offering Price will not affect the net proceeds received by the Company.

Certain of the Underwriters and their affiliates have performed investment banking, commercial banking and advisory services for the Company from time to time for which they have received customary fees and expenses. The Underwriters and their affiliates may, from time to time, engage in transactions with and perform services for the Company in the ordinary course of their business.

Pursuant to the rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period of distribution under this Prospectus, bid for or purchase Common Shares for their own account or for accounts over which they exercise control or direction. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Common Shares if the bid or purchase is made through the facilities of the CSE in accordance with the Universal Market Integrity Rules of the Investment Industry Regulatory

Organization of Canada; (ii) a bid or purchase on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Underwriters or if the client's order was solicited, the solicitation occurred before the commencement of a prescribed restricted period; and (iii) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. In connection with the Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market, including without limitation: stabilizing transactions; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Common Shares while the Offering is in progress. These transactions may also include making short sales of the Units, which involve the sale by the Underwriters of a greater number of Units than are offered for sale in the Offering. Short sales may be "covered short sales", which are short positions in an amount not greater than the Over-Allotment Option, or may be "naked short sales", which are short positions in excess of that amount. The Underwriters may close out any covered short position either by exercising the Over-Allotment Option for Units, in whole or in part, or by purchasing Common Shares in the open market and Additional Warrants from the Company. In making this determination, the Underwriters will consider, among other things, the price of Common Shares available for purchase in the open market compared to the price at which they may sell Additional Units through the exercise of the Over-Allotment Option. The Underwriters must close out any naked short position by purchasing Common Shares in the open market and exercising the Over-Allotment Option for Additional Warrants. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Common Shares in the open market that could adversely affect investors who purchase in the Offering. Any naked short sales will form part of the Underwriters' over-allocation position.

As a result of these activities, the price of the securities offered hereby may be higher than the price that might otherwise exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on the CSE, on OTC or other over-the-counter markets, or otherwise.

United States Securities Law Compliance

The Units, the Unit Shares and the Warrants comprising the Units, and the Warrant Shares issuable upon exercise of the Warrants, have not been and will not be registered under the U.S. Securities Act or any state securities laws, and the Units, the Unit Shares and the Warrants may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, persons in the United States or U.S. Persons, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriters have agreed that, except as permitted by the Underwriting Agreement and as expressly permitted by applicable United States federal and state securities laws, they will not offer or sell any of the Units, the Unit Shares or the Warrants to, or for the account or benefit of, persons in the United States or U.S. Persons. The Underwriting Agreement permits the Underwriters to offer the Units, the Unit Shares and the Warrants outside the United States to non-U.S. Persons in compliance with Regulation S under the U.S. Securities Act. The Underwriting Agreement also permits the Underwriters, through U.S. registered broker-dealers, to offer and resell the Units, the Unit Shares and the Warrants to, or for the account or benefit of, persons in the United States and U.S. Persons where such persons are "qualified institutional buyers", as such term is defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**"), in compliance with Rule 144A and applicable state securities laws. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Units, the Unit Shares or the Warrants to, or for the account or benefit of, persons in the United States or U.S. Persons. In addition, until 40 days after the commencement of the Offering, an offer or sale of such securities within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act, unless such offer or sale is made pursuant to an exemption from registration under the U.S. Securities Act.

The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares issuable upon exercise of the Warrants be registered or delivered to an address in the United States, unless an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing to such effect in form and substance satisfactory to the Company.

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

Terms used and not otherwise defined in the three preceding paragraphs shall have the meanings ascribed to them by Regulation S under the U.S. Securities Act.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Units

Each Unit will be comprised of one Unit Share and one-half of one Warrant. The Units will separate into Unit Shares and Warrants immediately upon issue.

Common Shares

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares.

As at July ~~13~~, 2020, there were 64,292,206 Common Shares issued and outstanding. Holders of Common Shares are entitled (i) to receive dividends if and when declared by the Board of Directors of the Company; (ii) to one vote per Common Share at all meetings of shareholders of the Company, and (iii) upon liquidation, dissolution or winding-up to participate ratably in any distribution of assets of the Company after payment of all creditors and distributions (if any) to which the holders of preferred shares may be entitled in priority. Dividends, if any, will be paid on a pro rata basis only from funds legally available therefore. The rights set out herein are subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of the Common Shares with respect to dividends or liquidation.

There are no preferred shares outstanding.

Dividends

To date, no dividends on the Common Shares have been paid. The Company currently intends to retain its earnings, if any, to finance the growth and development of its business and does not currently intend to pay dividends on the Common Shares in the foreseeable future. Any return on an investment in the Common Shares will likely come from the appreciation, if any, in the value of the Common Shares. The payment of future dividends on the Common Shares, if any, will be reviewed periodically by the Board of Directors of the Company and will depend upon, among other things, conditions then existing, including earnings, financial requirements and other conditions existing at such time.

Warrants

The Warrants will be issued under and governed by the Warrant Indenture to be entered into between the Company and the Warrant Agent on the Closing Date. The Company will appoint the principal transfer offices of the Warrant Agent in Toronto as the location at which Warrants may be surrendered for exercise, transfer or exchange. The following summary of certain provisions of the Warrant Indenture contains all of the material attributes and characteristics of the Warrants but does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture.

The Unit Shares and the Warrants comprising the Units will separate immediately upon closing of the Offering. Each Warrant will entitle the holder to purchase one Warrant Share at the Exercise Price. The Exercise

Price and the number of Warrant Shares issuable upon exercise are both subject to adjustment in certain circumstances as more fully described below. Warrants will be exercisable at any time prior to 5:00 p.m. (Toronto time) on the Expiry Date, after which time the Warrants will expire and become null and void. There is currently no market through which the Warrants can be sold and purchasers may not be able to resell such securities. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such securities, and the extent of issuer regulation. Under the Warrant Indenture and subject to applicable laws, the Company will be entitled to purchase in the market, by private contract or otherwise, all or any of the Warrants then outstanding, and any Warrants so purchased will be cancelled.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

- (a) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than a “dividend paid in the ordinary course”, as defined in the Warrant Indenture, or a distribution of Common Shares upon the exercise of the Warrants or pursuant to the exercise of director, officer or employee stock options or restricted share rights granted under the Company’s equity compensation plans);
- (b) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares;
- (c) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares;
- (d) the issuance to all or substantially all of the holders of the Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the “current market price”, as defined in the Warrant Indenture, for the Common Shares on such record date; and
- (e) the issuance or distribution to all or substantially all of the holders of the Common Shares of shares of any class other than the Common Shares, rights, options or warrants to acquire Common Shares or securities exchangeable or convertible into Common Shares, of evidences of indebtedness or cash, securities or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events: (a) reclassifications of the Common Shares; (b) capital reorganizations, consolidations, amalgamations, plans of arrangement or mergers of the Company with or into another entity (other than consolidations, amalgamations, plans of arrangement or mergers which do not result in any reclassification of the Common Shares or a change or exchange of the Common Shares into other shares); or (c) the transfer (other than to one of the Company’s subsidiaries) of the undertaking or assets of the Company as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the Exercise Price or the number of Warrant Shares purchasable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the Exercise Price by at least 1% or the number of Warrant Shares purchasable upon exercise by at least one one-hundredth of a Warrant Share.

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to the Warrant Agent and to the holders of Warrants of certain stated events, including events that would result in an adjustment to the Exercise Price or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fractional Warrant Shares will be issuable upon the exercise of any Warrants, and no cash or other consideration will be paid in lieu of fractional shares. Holders of Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Common Shares would have.

The Warrant Indenture will provide that, from time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which is defined in the Warrant Indenture as a resolution either (a) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 20% of the aggregate number of Common Shares that could be acquired on exercise of the outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution or (b) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants.

The Warrants and the Warrant Shares issuable upon the exercise of the Warrants have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States. The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares issuable upon exercise of the Warrants be registered or delivered to an address in the United States, unless an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing to such effect in form and substance satisfactory to the Company.

PRIOR SALES

During the 12-month period prior to the date of this Prospectus, the Company issued the following Common Shares and securities convertible into or exercisable for Common Shares:

<u>Date of Issue/Grant</u>	<u>Price per Security (\$)</u>	<u>Number of Securities</u>
Common Shares		
August 27, 2019 ⁽¹⁾	0.08	2,687,500
February 14, 2020 ⁽²⁾	0.08	6,404,037 <u>6,654,037</u>
February 26, 2020 ⁽³⁾	0.08	2,398,306 <u>2,148,306</u>
March 6, 2020 ⁽⁴⁾	0.08	6,250,000
May 4, 2020 ⁽⁵⁾	0.175	100,000
May 13, 2020 ⁽⁶⁾	0.42	150,000
May 15, 2020 ⁽⁷⁾	N/A <u>0.15</u>	780,000 <u>78,000</u>
May 29, 2020 ⁽⁸⁾	N/A <u>0.15</u>	50,000
June 26, 2020 ⁽⁹⁾	N/A <u>0.15</u>	45,000
July 10, 2020 ⁽¹⁰⁾	N/A <u>0.15</u>	35,000 <u>32,000</u>
<u>July 16, 2020⁽¹¹⁾</u>	<u>0.15</u>	<u>700,000</u>
Options		
November 12, 2019 ⁽⁴⁺¹²⁾	0.10	4,575,000
Warrants		
August 27, 2019 ⁽¹⁾	0.15	2,687,500
August 27, 2019 ⁽⁴⁺¹³⁾	0.15	138,000
February 14, 2020 ⁽²⁾	0.15	6,404,037 <u>6,654,037</u>
February 14, 2020 ⁽⁴⁺¹⁴⁾	0.15	178,000
February 26, 2020 ⁽³⁾	0.15	2,398,306 <u>2,148,306</u>
March 6, 2020 ⁽⁴⁾	0.15	6,250,000
March 6, 2020 ⁽⁴⁺¹⁵⁾	0.15	273,500

<u>Date of Issue/Grant</u>	<u>Price per Security (\$)</u>	<u>Number of Securities</u>
July 10, 2020⁽¹⁵⁾	0.15	32,000
(1) On August 27, 2019, the Company issued an aggregate of 2,687,500 units in a private placement. Each unit consisted of one Common Share and one Common Share purchase warrant.		
(2) On February 14, 2020, the Company closed the first tranche of a non-brokered private placement, issuing an aggregate of 6,404,037 <u>6,654,037</u> units of the Company. Each unit consisted of one Common Share and one Common Share purchase warrant.		
(3) On February 26, 2020, Idaho Champion completed the second tranche of a non-brokered private placement offering, issuing an aggregate of 2,398,306 <u>2,148,306</u> units of the Company. Each unit consisted of one Common Share and one Common Share purchase warrant.		
(4) On March 6, 2020, the Company completed the final tranche of a non-brokered private placement offering, issuing an aggregate of 2,398,306 <u>6,250,000</u> units of the Company. Each unit consisted of one Common Share and one Common Share purchase warrant.		
(5) On May 4, 2020, the Company signed a Property Lease and Option Agreement on two unpatented mining claims with two individuals. Pursuant to the agreement, the Company issued 100,000 Common Shares at a deemed price of \$0.175 and paid US\$8,000 upon the execution of the agreement.		
(6) On May 13, 2020, the Company signed a purchase and sale agreement with Champagne Exploration LLC. Pursuant to the agreement, the Company issued 150,000 Common Shares in consideration for seven unpatented claims and paid US\$15,000 upon the execution of the agreement.		
(7) On May 15, 2020, 78,000 finder's warrants were exercised and the Company issued the same number of Common Shares.		
(8) On May 29, 2020, 50,000 warrants were exercised and the Company issued the same number of Common Shares.		
(9) On June 26, 2020, 45,000 warrants were exercised and the Company issued the same number of Common Shares.		
(10) On July 10, 2020, 32,000 finder's warrants were exercised and the Company issued the same number of Common Shares.		
(11) On July 10, 2020, 35,000 finder's <u>700,000</u> warrants were exercised and the Company issued the same number of Common Shares.		
(12) On November 12, 2019, Idaho Champion issued \$575,000 in <u>4,575,000</u> stock options to directors, officers, consultants and employees of the Company. Each option entitles the holder to acquire one Common Share at a price of \$0.10 until November 12, 2024.		
(13) On August 27, 2019, the Company issued 138,000 non-transferable finder's warrants in connection with the first closing of a private placement.		
(14) On February 14, 2020, the Company issued 178,000 non-transferable finder's warrants in connection with the first closing of a private placement.		
(15) On March 6, 2020, the Company issued 273,500 non-transferable finder's warrants in connection with the closing of the final tranche of a private placement.		
(15) On July 10, 2020, 32,000 warrants were exercised and the Company issued the same number of Common Shares.		

TRADING PRICE AND VOLUME

The Common Shares are listed and posted for trading on the CSE under the trading symbol "ITKO" and are quoted for trading in the United States of America on the Pink market of the OTC under the symbol "GLDRF". The following table sets forth information relating to the trading of the Common Shares on the CSE for the periods indicated.

<u>Calendar Period⁽¹⁾</u>	<u>High-Price⁽²⁾</u> <u>(\$)</u>	<u>Low-Price⁽²⁾</u> <u>(\$)</u>	<u>Volume</u>
2019			
July.....	0.08	0.08	472,934
August.....	0.07	0.07	511,000
September.....	0.05	0.05	431,013
October.....	0.04	0.04	1,627,028
November.....	0.04	0.04	2,990,700
December.....	0.04	0.04	1,146,517
2020			
January.....	0.10	0.05	4,732,020
February.....	0.115	0.07	3,169,432
March.....	0.12	0.065	4,853,887
April.....	0.21	0.085	6,341,055
May.....	0.44	0.155	6,838,824
June.....	0.42	0.24	5,399,045
July 1 - 1323	0.42	0.275 <u>0.27</u>	4,397,242 <u>8,872,921</u>

(1) Source for data in the above table is the Canadian Securities Exchange. Past performance should not be seen as an indicator of future performance.

(2) High-Price and Low-Price based on intraday high and low share prices.

As at the close of business on July ~~13-23~~, 2020, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the CSE was \$~~0.275-0.31~~.

RISK FACTORS

Prior to making an investment decision investors should consider the investment risks set out below including those set out in the Annual Information Form and the other documents incorporated by reference herein. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Board of Directors of the Company are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected.

The Company is exposed to a number of risks and uncertainties that are common to other mineral production, exploration and development companies. The mining industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation, production and other risks. The risks and uncertainties described in this section and in the Annual Information Form are not inclusive of all the risks and uncertainties to which the Company may be subject.

The risks discussed below also include forward-looking information and the Company's actual results may differ substantially from those discussed in these forward-looking statements. See "Cautionary Statement Regarding Forward-Looking Information".

Discretion in the Use of the Net Proceeds from the Offering

The Company currently intends to allocate the net proceeds it will receive from the Offering as described under the section entitled "Use of Proceeds" in this Prospectus. However, management will have discretion in the actual application of the net proceeds, and the Company may elect to allocate proceeds differently from that described in "Use of Proceeds" if the Company believes it would be in its best interests to do so. As a result, investors will be relying on the judgment of management as to the application of the proceeds of the Offering. Management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The failure by management to apply these funds effectively could have a material adverse effect on the Company's business.

Future Issuances of Securities

The Company may issue additional Common Shares or other securities in subsequent offerings and on the exercise of stock options or other securities exercisable for Common Shares, including the Warrants. The Company cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

No Market for the Warrants Currently Exists

The Warrants constitute a new issue of securities of the Company. There is currently no market through which the Warrants can be sold and purchasers may not be able to resell the Warrants purchased under this Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such securities, and the extent of issuer regulation. The Company has applied to list the Unit Shares and the Warrant Shares issuable upon the due exercise of the Warrants on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the CSE. The Company has not applied to list the Warrants on the CSE.

Market Price of the Common Shares

The Common Shares are listed and posted for trading on the CSE. There can be no assurance that an active market for the Common Shares will be sustained after the Offering. Securities markets have a high level of price and volume volatility, and the market price of securities of many companies involved in the resource industry have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. Securities of companies with small capitalization have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These risk factors included global economic developments and market perceptions of the attractiveness of certain industries. There can be no assurance that continuing fluctuations in price will not occur. In addition, from time to time, the stock market experiences significant price and volume volatility that may affect the market price of the Common Shares for reasons unrelated to the Company's performance.

Other factors unrelated to the performance of the Company that may have an effect on the price of Common Shares include the following: lessening in trading volume and general market interest in the Company's securities may affect a purchaser's ability to trade significant numbers of Common Shares; and the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities. If an active market for the Common Shares does not continue, the liquidity of a purchaser's investment may be limited and the price of the Common Shares may decline below the Offering Price. If such a market does not continue, purchasers may lose their entire investment in the Common Shares.

The price per Common Share may be adversely affected by a variety of factors relating to the Company's business, including fluctuation in the Company's operating and financial results, the result of any public announcement made by the company and the Company's failure to meet analysts' expectations. Additionally, the value of the Common Shares is subject to market value fluctuations based upon factors that influence the Company's activity and changes in interest and currency rates.

The market value of the Common Shares may also be affected by the Company's financial results and political, economic, financial, and other factors that can affect the capital markets generally, the stock exchanges on which the Common Shares are traded and the market segment of which the Company is a part.

Issuance of Warrant Shares

To the extent that purchasers of Warrants sell Common Shares issued upon the exercise of those Warrants, the market price of the Common Shares may decrease due to the additional selling pressure in the market. The risk of dilution from issuances of Common Shares underlying the Warrants that may be issued pursuant hereto may cause shareholders to sell their Common Shares, which could further contribute to any decline in the Common Share market price.

Any downward pressure on the price of Common Shares caused by the sale of Warrant Shares could encourage short sales by third parties. In a short sale, a prospective seller borrows common shares from a shareholder or broker and sells the borrowed common shares. The prospective seller anticipates that the common share price will decline, at which time the seller can purchase common shares at a lower price for delivery back to the lender. The seller profits when the common share price declines because it is purchasing common shares at a price lower than the sale price of the borrowed common shares. Such short sales of Common Shares could place downward pressure on the price of the Common Shares by increasing the number of Common Shares being sold, which could lead to a decline in the market price of the Common Shares.

Negative Operating Cash Flow

The Company is in the early exploration stage of mineral property development and has never generated cash flow from operations and therefore has negative cash flow from operating activities. There can be no assurance that it will generate positive cash flow from operations in the future and the Company expects to continue to incur negative consolidated operating cash flows for the foreseeable future.

Public Health Crisis

The current global uncertainty with respect to the spread of COVID-19, the rapidly evolving nature of the pandemic and local and international developments related thereto and its effect on the broader global economy and capital markets may have a negative effect on the Company. While the precise impact of the COVID-19 outbreak on the Company remains unknown, rapid spread of COVID-19 and declaration of the outbreak as a global pandemic has resulted in travel advisories and restrictions, certain restrictions on business operations, social distancing precautions and restrictions on group gatherings which are having direct impacts on businesses around the world and could result in travel bans, work delays, difficulties for contractors and employees getting to site, and diversion of management attention all of which in turn could have a negative impact on the Company generally. The spread of COVID-19 may also have a material adverse effect on global economic activity and could result in volatility and disruption to global supply chains and the financial and capital markets, which could negatively affect the business, financial condition, results of operations, prospects and other factors relevant to the Company.

As a result of the COVID-19 pandemic, the Company temporarily ceased all on-the-ground exploration work. During the COVID-19 pandemic, the Company has managed operations from Toronto, engaged Idaho-based third party consultants to continue its on-the-ground operations and focused on those activities that can be completed remotely. While the Company anticipates that exploration operations will recommence in August 2020 and that the work program will be completed within six to twelve months from recommencement, if there is a delay of the recommencement of exploration operations, or a substantial reduction of resumed activities at the Projects in order to meet new safety guidelines associated with COVID-19, the completion of the work program and the other milestones mentioned in this Prospectus may be delayed, or additional costs may be incurred.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations that generally apply to a purchaser who acquires Units pursuant to this Offering. For purposes of this summary, references to Common Shares include Unit Shares and Warrant Shares unless otherwise indicated. This summary applies only to a purchaser who acquired Units as beneficial owner and who, at all relevant times, for purposes of the Tax Act and the Regulations: (i) deals at arm's length with the Company and the Underwriters; (ii) is not affiliated with the Company or the Underwriters; and (iii) acquires and holds the Common Shares and Warrants as capital property (a "**Holder**"). Generally, Common Shares and Warrants will be capital property to a Holder provided the Holder does not acquire, use, or hold them in the course of carrying on a business of trading or dealing in securities or as part of an adventure or concern in the nature of trade.

Certain Holders who might not otherwise be considered to hold their Common Shares as capital property may, in certain circumstances, be entitled to have their Common Shares and all other "Canadian securities" (as defined in the Tax Act) owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Holders should consult their own tax advisors regarding this election. Such election is not available in respect of Warrants.

This summary does not apply to: (i) a purchaser that is a "specified financial institution"; (ii) a purchaser an interest in which would be a "tax shelter investment"; (iii) a purchaser that is a "financial institution" for purposes of the "mark-to-market property" rules contained in the Tax Act; (iv) a purchaser that reports its "Canadian tax results" in a currency other than Canadian currency; or (v) a purchaser that has entered into or will enter into with respect to the purchaser's Common Shares or Warrants, a "derivative forward agreement" or a "synthetic disposition arrangement", as such terms are defined for purposes of the Tax Act.

Additional considerations, not discussed in this summary, may apply to a Holder that is a corporation resident in Canada, and is, or becomes (or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes) as part of a transaction or event or series of transactions or events that includes the acquisition of Common Shares and Warrants, controlled by a non-resident corporation, individual, trust or group of any combination of non-resident individuals, trusts and/or corporations who do not deal with each other at arm's length for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such

Holders should consult their own tax advisors with respect to the consequences of acquiring Common Shares or Warrants.

This summary is based on the current provisions of the Tax Act and the Regulations in force as of the date hereof, and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("CRA"). This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or practice whether by legislative, administrative or judicial decision or action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective Holders should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring Units pursuant to this Offering having regard to their own particular circumstances.

Allocation of Purchase Price for Units

A Holder who acquires Units will be required to allocate the purchase price of each Unit between the Unit Share and the one-half of one Warrant on a reasonable basis in order to determine their respective costs for purposes of the Tax Act.

For its purposes, the Company intends to allocate \$0.29 of the issue price of each Unit for the issue of each Common Share and \$0.01 of the issue price of each Unit for the issue of each one-half of one Warrant. Although the Company believes that this allocation is reasonable, it is not binding on the CRA or the Holder and the CRA may not be in agreement with such allocation. Counsel express no opinion with respect to such allocation.

Adjusted Cost Base of Common Shares

The adjusted cost base to a Holder of a Unit Share acquired pursuant to the Offering will be determined by averaging the cost of that Unit Share with the adjusted cost base (determined immediately before the acquisition of the Unit Share) of all other Common Shares held as capital property by the Holder immediately prior to such acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. The Holder's cost of the Warrant Share will equal the aggregate of such Holder's adjusted cost base of the Warrant exercised plus the exercise price paid for such Warrant Share. The Holder's adjusted cost base of such Warrant Share so acquired will be determined by averaging the cost of the Warrant Share with the adjusted cost base (determined immediately before the acquisition of the Warrant Share) of all other Common Shares held as capital property by such Holder immediately prior to such acquisition.

Expiry of Warrants

If a Warrant expires unexercised, the Holder will generally realize a capital loss equal to the adjusted cost base of such Warrant to the Holder immediately prior to such expiry. The taxation of capital gains and capital losses is discussed in greater detail below under the subheading "Taxation of Capital Gains and Capital Losses".

Dispositions of Common Shares and Warrants

On the disposition or deemed disposition of a Common Share (other than a disposition to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market, in which case other considerations may arise) or a Warrant (other than a

disposition arising on the exercise or expiry of a Warrant), a Holder will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Common Share or Warrant, as the case may be, exceed (or are exceeded by) the aggregate of the Holder's adjusted cost base of such security and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described under "Taxation of Capital Gains and Capital Losses" below.

Dividends on Common Shares

A Holder will be required to include in computing its income for a taxation year any dividends received (or deemed to be received) on the Common Shares during such taxation year. In the case of a Holder who is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules that apply to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividends designated by the Company as "eligible dividends" in accordance with the provisions of the Tax Act. There may be limitations on the Company's ability to designate its dividends on the Common Shares as "eligible dividends".

Taxable dividends received by a Holder who is an individual (other than certain trusts) may result in such Holder being liable for minimum tax under the Tax Act. Holders who are individuals should consult their own tax advisors in this regard.

In the case of a Holder that is a corporation, the amount of any such dividend received or deemed to be received on Common Shares held by the Holder generally will be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Holder that is a corporation as proceeds of disposition or a capital gain. Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

Certain corporations, including a "private corporation" or a "subject corporation" (as such terms are defined in the Tax Act), may be liable to pay additional tax under Part IV of the Tax Act, which may be refundable, on dividends received (or deemed to be received) on Common Shares to the extent that such dividends are deductible in computing the corporation's taxable income for the taxation year.

Taxation of Capital Gains and Capital Losses

Generally, a Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Holder in the year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Holder that is a corporation on the disposition or deemed disposition of a Common Share may be reduced by the amount of any dividends received (or deemed to be received) by the Holder on such Common Share or a share for which the Common Share is substituted or exchanged to the extent and under the circumstances described by the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Holders should consult their own advisors.

A Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may also be liable to pay a refundable tax on its "aggregate investment income", which is defined in the Tax Act to include taxable capital gains.

Capital gains realized by a Holder who is an individual (other than certain trusts) may give rise to a liability for alternative minimum tax under the Tax Act. Holders who are individuals should consult their own tax advisors in this regard.

INTEREST OF EXPERTS

The scientific and technical information under the heading “Use of Proceeds” relating to the projected use of proceeds on the Baner Project has been reviewed and approved by Mr. Darren Lindsay, who is a “qualified person” as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Mr. Lindsay’s interest in any securities of the Company, including stock options, amounts to less than 1% of the outstanding Common Shares.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are ~~UHY~~ McGovern Hurley LLP, Chartered Professional Accountants, Toronto, Ontario. In connection with the audit of the Company’s financial statements, ~~UHY~~ McGovern Hurley LLP has reported to the Company’s audit committee that they are independent of the Company within the meaning of the relevant rules and related interpretations presented by the relevant professional bodies in Canada and applicable legislation or regulations.

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

LEGAL MATTERS

Certain legal matters in connection with this Offering will be passed upon by Fasken Martineau DuMoulin LLP, on behalf of the Company, and by Cassels Brock & Blackwell LLP, on behalf of the Underwriters. As at the date hereof, the partners and associates of Fasken Martineau DuMoulin LLP, as a group, and the partners and associates of Cassels Brock & Blackwell LLP, as a group, each beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares of the Company.

EXEMPTIONS

Pursuant to a decision of the Autorité des marchés financiers dated July 6, 2020, the Company was granted relief from the requirement that the Annual Information Form, Interim Financial Statements and Interim MD&A which are incorporated by reference in the Prospectus, be in both the French and English languages. This relief was conditional upon the Company filing French versions of these documents no later than the date of filing ~~the final short form prospectus~~ this Prospectus.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the warrants were offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon the exercise of the Warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the

particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated: July ~~14~~, 24, 2020

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta, Manitoba, Ontario, and Québec.

~~(Signed)~~ "Jonathan Buick"

Jonathan Buick
President and Chief Executive Officer

~~(Signed)~~ "Julio DiGirolamo"

Julio DiGirolamo
Chief Financial Officer

On Behalf of the Board of Directors

"Bruce Reid"

~~(Signed)~~ "Bruce Reid"
Director

"Greg Schifrin"

~~(Signed)~~ "Greg Schifrin"
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: July 14, 2020

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta, Manitoba, Ontario, and Québec.

BEACON SECURITIES LIMITED

“Stephen J. A. Delaney”

By: Stephen J. A. Delaney
Managing Director

ECHELON WEALTH PARTNERS INC.

“Beth Shaw”

By: Beth Shaw
Managing Director

PI FINANCIAL CORP.

“Russell Mills”

By: Russell Mills
~~Managing~~ Director

Document comparison by Workshare Compare on July-24-20 9:54:22 AM

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