

FORM 2A

LISTING STATEMENT

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2. Corporate Structure

- 2.1 Name of the Issuer: Fox River Resources Corporation
Head and Registered Office: Suite 700 – 350 Bay Street
Toronto, Ontario M5H 2S6
- 2.2 Fox River Resources Corporation (the “Issuer” or “Fox River”) is incorporated and subsisting under the *Canada Business Corporations Act* (Canada) (the “CBCA”). The Issuer was incorporated under the name “9508309 Canada Inc.” under the CBCA by articles of incorporation effective November 12, 2015. The name of the Issuer was changed to “Fox River Resources Corporation” by Articles of Amendment effective December 7, 2015.
- 2.3 The Issuer has one wholly-owned subsidiary, Baltic Resources Inc. (“Baltic”), which is incorporated under the *Business Corporations Act (Alberta)*.
- 2.4 Not applicable to the Issuer at this time.
- 2.5 Not applicable to the Issuer at this time.

3. General Development of the Business

- 3.1 The Issuer resulted from the divisive reorganization of PhosCan Chemical Corp. (“PhosCan”), which was effected by way of a Plan of Arrangement. PhosCan had been engaged in the exploration and evaluation of the Martison Phosphate Project.

During 2014 and 2015 PhosCan’s activities related to the Martison Project were primarily directed at maintaining the project in good standing. In late 2014 the Issuer determined that the pre-feasibility study of the Martison Project which had been completed in 2008 (the “2008 PFS”) was no longer relevant or reliable, and engaged DMT Consulting Ltd. (“DMT”) to prepare an updated technical report in respect of the Martison Project (the “Martison Technical Report”). The Martison Technical Report was completed in March 2015. In April 2016, the Martison Technical Report was refiled in the Issuer’s name.

- 3.2 The Issuer was incorporated for the purposes of participating in a Plan of Arrangement (the “Arrangement”) involving PhosCan Chemical Corp. (“PhosCan”), Petrus Resources Ltd. (“Petrus”), Petrus Acquisition Corp. (“New Petrus”) and the Issuer. Prior to completion of the Arrangement, the Issuer had no significant assets or liabilities.

At the time that the Arrangement became effective (the “Effective Time”):

- (a) PhosCan transferred to the Issuer the PhosCan Transferred Assets in consideration for (i) the assumption of the PhosCan Transferred Liabilities by the Issuer, and (ii) the issuance to PhosCan of that number of common shares of the Issuer ("Fox River Shares") when added to the number of Fox River Shares already owned by PhosCan, equalled one quarter (0.25) of (X) the number of issued and outstanding PhosCan Shares immediately prior to the Effective Time, less (Y) the number of PhosCan Shares in respect of which PhosCan shareholders dissented in respect of the Arrangement; and
- (b) each common share of PhosCan outstanding immediately prior to the Effective Time was deemed to be transferred to PhosCan in exchange for:
 - (i) one new common share of PhosCan; and (ii) 0.25 of one Fox River Share.

The "PhosCan Transferred Assets" means all of PhosCan's property and assets (other than approximately \$45,400,000 in cash and cash equivalents which was retained by PhosCan), including all of PhosCan's interests, direct and indirect, in the Martison Project and the Brandon Land (as described below).

"PhosCan Transferred Liabilities" means all liabilities or obligations of PhosCan of kind whatsoever relating in any way to the business of PhosCan and its subsidiaries conducted prior to the Effective Time or in respect of any of the PhosCan Transferred Assets.

- 3.3 Phosphate fertilizer products are used worldwide to sustain and improve crop yields, which are required to meet the needs of both a growing world population and annual depletion of soil nutrients. There is growing demand by phosacid plants for phosphate rock from igneous sources because of its low cadmium content. Cadmium is an undesirable element in fertilizers due to possible toxicity. Restrictions on the cadmium content in both phosphate fertilizers and animal feed phosphates are a growing major objective. Most of the phosphate production is processed to fertilizer and shipped directly to consumer markets. The starting point for the manufacture of most phosphate fertilizer products is phosphoric acid. It is made by the acidulation of phosphate concentrate (phosphate rock) using sulphuric acid, followed by filtering out the resulting calcium sulphate (gypsum), leaving phosphoric acid containing 25% to 40% P₂O₅, depending on the process being employed.

4 Narrative Description of the Business

4.1 General Description of the Business

Fox River is engaged in the further exploration and evaluation of the Martison Project, with the objective of maximizing shareholder value from the Martison Project. Fox River will carry out certain exploration activities on its own, and will also be actively seeking a strategic alliance, joint venture or option arrangement

with a major fertilizer company or mining company in order to fund further exploration and development work on the Martison Project, and to establish downstream markets for products which may be produced from the Martison Project.

The Martison Project is located near Hearst, in north central Ontario and is close to rail, power, highway, and other infrastructure. The Martison Project contains a major carbonatite (igneous carbonate rich) pipe capped by a residual deposit (residuum) enriched in phosphate and niobium minerals. The Issuer's strategy is to create shareholder value through the further exploration and evaluation of the Martison Project, either by itself or in conjunction with a strategic partner, and through the potential acquisition, exploration, advancement and development of other mineral properties.

The Martison Project is considered to be material for the purposes of National Instrument 43 101 — Standards of Disclosure for Mineral Projects ("NI 43 101").

Business Objectives

Fox River's principal business objective is to maximize the value of the Martison Project, for the benefit of Fox River shareholders. Fox River's management will seek to advance the understanding of the Martison Project through continued exploration, as recommended in the Martison Technical Report. Fox River may actively seek out a major fertilizer company with which to enter into a strategic alliance, joint venture or option arrangement in respect of the Martison Project.

As of October 31, 2018, Fox River had available working capital of approximately \$1,121,187.

The following table summarizes expenditures anticipated by Fox River based on current plans required to achieve its business objectives during the forthcoming 12 month period.

Expenditures on Martison Project	\$ 40,000
General and administrative ⁽¹⁾	\$200,000
Corporate development:	<u>\$ 20,000</u>
Total:	\$260,000

Note:

- (1) General and administrative expenses include financial administration expenses of \$102,000, office rent, corporate secretarial costs, and insurance costs.

Employees

The Issuer does not have any regularly paid employees. Stephen D. Case, the President and Chief Executive Officer, provides services on a consulting basis, and is expected to be granted options pursuant to the Fox River Stock Option Plan. Fraser Laschinger, the Chief Financial Officer, provides services on a

consulting basis. As activities and operations require, the Issuer will retain geologists and engineers and other consultants on a fee for service basis.

Management of Fox River and the Fox River Board of Directors are composed of individuals who have proven expertise in mining, fertilizer production, financing, development, and stakeholder and First Nations consultation. As required, the Issuer will draw on its network of expert fertilizer industry consultants.

There have been no any bankruptcy, receivership or similar proceedings against the Issuer or any of their subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Issuer or any of their subsidiaries, within the three most recently completed financial years or the current financial year.

4.2 Companies with Asset-backed Securities Outstanding

The Issuer does not have any asset-backed securities outstanding.

4.3 Mineral Project – The Martison Project

Unless otherwise stated, the following description of the Martison Project is derived from the Martison Technical Report. Each of the authors of the Martison Technical Report is a “qualified person” and “independent” of the Issuer, as both terms are defined under NI 43 101.

Property Description and Location

The Martison Carbonatite Complex (the “Complex”), which contains the Martison Project’s phosphate and niobium resources and the proposed mine site area, is located about 70 kilometres northeast of the town of Hearst, Ontario, in the James Bay Lowlands. The mine site area is located in the “South of Ridge Lake” area (township) and centred about 50°18’52” N., 83°24’52” W. The site currently remains a ‘winter access only’ site for the purposes of further site works and advancement of the Martison Project. The PhosCan mining leases and claims cover a contiguous area of approximately 8,496 ha.

Mining Leases and Mining Claims

The Martison Project consists of three contiguous mining leases (collectively, the “Mining Leases”):

- ML107438 (granted in September 2002)
- ML108638 (granted May 1, 2011)
- ML108639 (granted May 1, 2011)

The Mining Leases total 266 units covering an area of 4,256 ha. The Martison Project also includes 265 unpatented contiguous mining cells totalling approximately 4,240 ha (collectively, the “Mining Claims”). The total area covered by the Mining Claims and the Mining Leases is approximately 8,496 ha.

The following is a complete listing of Mining Leases and Mining Claims in the mine site area:

Table 1 – Mining Leases and Mining Claims

Number	Type	Status	Expiry Date	Claim Units	Hectares
Surveyed					
ML 107438	Lease	Active	2023-07-31	14	226.305
ML 108638	Lease	Active	2032-04-30	123	1,950.968
ML 108639	Lease	Active	2032-04-30	134	2,078.552
Estimated					
102496	Claim	Active	2022-03-15	1	16
102497	Claim	Active	2022-03-15	1	16
104205	Claim	Active	2022-03-15	1	16
115000	Claim	Active	2022-03-15	1	16
115001	Claim	Active	2022-03-15	1	16
116689	Claim	Active	2022-03-15	1	16
117087	Claim	Active	2022-03-15	1	16
119315	Claim	Active	2022-03-15	1	16
119316	Claim	Active	2022-03-15	1	16
119448	Claim	Active	2022-03-15	1	16
119449	Claim	Active	2022-03-15	1	16
121206	Claim	Active	2022-03-15	1	16
121207	Claim	Active	2022-03-15	1	16
121860	Claim	Active	2022-03-15	1	16
121862	Claim	Active	2022-03-15	1	16
124375	Claim	Active	2022-03-15	1	16
126977	Claim	Active	2022-03-15	1	16
143451	Claim	Active	2022-03-15	1	16
143452	Claim	Active	2022-03-15	1	16
144150	Claim	Active	2022-03-15	1	16
144151	Claim	Active	2022-03-15	1	16
156772	Claim	Active	2022-03-15	1	16
159662	Claim	Active	2022-03-15	1	16
160340	Claim	Active	2022-03-15	1	16
160343	Claim	Active	2022-03-15	1	16
166408	Claim	Active	2022-03-15	1	16
166409	Claim	Active	2022-03-15	1	16
168975	Claim	Active	2022-03-15	1	16
168976	Claim	Active	2022-03-15	1	16
168977	Claim	Active	2022-03-15	1	16
179190	Claim	Active	2022-03-15	1	16
179191	Claim	Active	2022-03-15	1	16
179837	Claim	Active	2022-03-15	1	16
179838	Claim	Active	2022-03-15	1	16
181787	Claim	Active	2022-03-15	1	16
181788	Claim	Active	2022-03-15	1	16
185223	Claim	Active	2022-03-15	1	16

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Number	Type	Status	Expiry Date	Claim Units	Hectares
185224	Claim	Active	2022-03-15	1	16
185870	Claim	Active	2022-03-15	1	16
202115	Claim	Active	2022-03-15	1	16
206288	Claim	Active	2022-03-15	1	16
210150	Claim	Active	2022-03-15	1	16
210151	Claim	Active	2022-03-15	1	16
210152	Claim	Active	2022-03-15	1	16
210174	Claim	Active	2022-03-15	1	16
210175	Claim	Active	2022-03-15	1	16
215148	Claim	Active	2022-03-15	1	16
215149	Claim	Active	2022-03-15	1	16
217669	Claim	Active	2022-03-15	1	16
222197	Claim	Active	2022-03-15	1	16
222198	Claim	Active	2022-03-15	1	16
222199	Claim	Active	2022-03-15	1	16
225047	Claim	Active	2022-03-15	1	16
228978	Claim	Active	2022-03-15	1	16
230272	Claim	Active	2022-03-15	1	16
232347	Claim	Active	2022-03-15	1	16
233185	Claim	Active	2022-03-15	1	16
233186	Claim	Active	2022-03-15	1	16
233187	Claim	Active	2022-03-15	1	16
233188	Claim	Active	2022-03-15	1	16
235700	Claim	Active	2022-03-15	1	16
245887	Claim	Active	2022-03-15	1	16
252016	Claim	Active	2022-03-15	1	16
252017	Claim	Active	2022-03-15	1	16
258170	Claim	Active	2022-03-15	1	16
258171	Claim	Active	2022-03-15	1	16
258192	Claim	Active	2022-03-15	1	16
260407	Claim	Active	2022-03-15	1	16
260408	Claim	Active	2022-03-15	1	16
269000	Claim	Active	2022-03-15	1	16
271091	Claim	Active	2022-03-15	1	16
271092	Claim	Active	2022-03-15	1	16
271095	Claim	Active	2022-03-15	1	16
271096	Claim	Active	2022-03-15	1	16
276157	Claim	Active	2022-03-15	1	16
280504	Claim	Active	2022-03-15	1	16
281166	Claim	Active	2022-03-15	1	16
281167	Claim	Active	2022-03-15	1	16
281171	Claim	Active	2022-03-15	1	16
284952	Claim	Active	2022-03-15	1	16
288275	Claim	Active	2022-03-15	1	16
289107	Claim	Active	2022-03-15	1	16
289108	Claim	Active	2022-03-15	1	16
289257	Claim	Active	2022-03-15	1	16
289258	Claim	Active	2022-03-15	1	16
291763	Claim	Active	2022-03-15	1	16
291764	Claim	Active	2022-03-15	1	16

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Number	Type	Status	Expiry Date	Claim Units	Hectares
295515	Claim	Active	2022-03-15	1	16
298869	Claim	Active	2022-03-15	1	16
298870	Claim	Active	2022-03-15	1	16
324849	Claim	Active	2022-03-15	1	16
328275	Claim	Active	2022-03-15	1	16
328934	Claim	Active	2022-03-15	1	16
340840	Claim	Active	2022-03-15	1	16
343384	Claim	Active	2022-03-15	1	16
343385	Claim	Active	2022-03-15	1	16
100455	Claim	Active	2022-04-10	1	16
101151	Claim	Active	2022-04-10	1	16
101152	Claim	Active	2022-04-10	1	16
101153	Claim	Active	2022-04-10	1	16
116440	Claim	Active	2022-04-10	1	16
116690	Claim	Active	2022-04-10	1	16
117631	Claim	Active	2022-04-10	1	16
117632	Claim	Active	2022-04-10	1	16
119450	Claim	Active	2022-04-10	1	16
123166	Claim	Active	2022-04-10	1	16
123167	Claim	Active	2022-04-10	1	16
123168	Claim	Active	2022-04-10	1	16
125972	Claim	Active	2022-04-10	1	16
137960	Claim	Active	2022-04-10	1	16
139239	Claim	Active	2022-04-10	1	16
151687	Claim	Active	2022-04-10	1	16
151688	Claim	Active	2022-04-10	1	16
151689	Claim	Active	2022-04-10	1	16
170516	Claim	Active	2022-04-10	1	16
179839	Claim	Active	2022-04-10	1	16
181094	Claim	Active	2022-04-10	1	16
185871	Claim	Active	2022-04-10	1	16
194910	Claim	Active	2022-04-10	1	16
202854	Claim	Active	2022-04-10	1	16
205629	Claim	Active	2022-04-10	1	16
205630	Claim	Active	2022-04-10	1	16
205631	Claim	Active	2022-04-10	1	16
205632	Claim	Active	2022-04-10	1	16
211452	Claim	Active	2022-04-10	1	16
211913	Claim	Active	2022-04-10	1	16
216450	Claim	Active	2022-04-10	1	16
216451	Claim	Active	2022-04-10	1	16
216988	Claim	Active	2022-04-10	1	16
223469	Claim	Active	2022-04-10	1	16
227281	Claim	Active	2022-04-10	1	16
233189	Claim	Active	2022-04-10	1	16
235002	Claim	Active	2022-04-10	1	16
256627	Claim	Active	2022-04-10	1	16
256628	Claim	Active	2022-04-10	1	16
259413	Claim	Active	2022-04-10	1	16
264180	Claim	Active	2022-04-10	1	16

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Number	Type	Status	Expiry Date	Claim Units	Hectares
264181	Claim	Active	2022-04-10	1	16
271661	Claim	Active	2022-04-10	1	16
271662	Claim	Active	2022-04-10	1	16
277378	Claim	Active	2022-04-10	1	16
277379	Claim	Active	2022-04-10	1	16
278988	Claim	Active	2022-04-10	1	16
283733	Claim	Active	2022-04-10	1	16
283734	Claim	Active	2022-04-10	1	16
283735	Claim	Active	2022-04-10	1	16
291077	Claim	Active	2022-04-10	1	16
313973	Claim	Active	2022-04-10	1	16
328936	Claim	Active	2022-04-10	1	16
342693	Claim	Active	2022-04-10	1	16
103820	Claim	Active	2022-04-16	1	16
104783	Claim	Active	2022-04-16	1	16
116769	Claim	Active	2022-04-16	1	16
121043	Claim	Active	2022-04-16	1	16
127917	Claim	Active	2022-04-16	1	16
135366	Claim	Active	2022-04-16	1	16
160195	Claim	Active	2022-04-16	1	16
168397	Claim	Active	2022-04-16	1	16
172409	Claim	Active	2022-04-16	1	16
179049	Claim	Active	2022-04-16	1	16
187375	Claim	Active	2022-04-16	1	16
187376	Claim	Active	2022-04-16	1	16
191394	Claim	Active	2022-04-16	1	16
194974	Claim	Active	2022-04-16	1	16
214151	Claim	Active	2022-04-16	1	16
214152	Claim	Active	2022-04-16	1	16
217196	Claim	Active	2022-04-16	1	16
225643	Claim	Active	2022-04-16	1	16
228653	Claim	Active	2022-04-16	1	16
232921	Claim	Active	2022-04-16	1	16
232922	Claim	Active	2022-04-16	1	16
237275	Claim	Active	2022-04-16	1	16
240799	Claim	Active	2022-04-16	1	16
254030	Claim	Active	2022-04-16	1	16
254031	Claim	Active	2022-04-16	1	16
254032	Claim	Active	2022-04-16	1	16
261596	Claim	Active	2022-04-16	1	16
269567	Claim	Active	2022-04-16	1	16
269568	Claim	Active	2022-04-16	1	16
269569	Claim	Active	2022-04-16	1	16
269570	Claim	Active	2022-04-16	1	16
283183	Claim	Active	2022-04-16	1	16
283184	Claim	Active	2022-04-16	1	16
287218	Claim	Active	2022-04-16	1	16
295856	Claim	Active	2022-04-16	1	16
298961	Claim	Active	2022-04-16	1	16
325131	Claim	Active	2022-04-16	1	16

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Number	Type	Status	Expiry Date	Claim Units	Hectares
328230	Claim	Active	2022-04-16	1	16
100203	Claim	Active	2022-06-27	1	16
100444	Claim	Active	2022-06-27	1	16
100445	Claim	Active	2022-06-27	1	16
100446	Claim	Active	2022-06-27	1	16
100447	Claim	Active	2022-06-27	1	16
123911	Claim	Active	2022-06-27	1	16
123912	Claim	Active	2022-06-27	1	16
128255	Claim	Active	2022-06-27	1	16
128256	Claim	Active	2022-06-27	1	16
135404	Claim	Active	2022-06-27	1	16
135949	Claim	Active	2022-06-27	1	16
135950	Claim	Active	2022-06-27	1	16
143449	Claim	Active	2022-06-27	1	16
157551	Claim	Active	2022-06-27	1	16
163570	Claim	Active	2022-06-27	1	16
163571	Claim	Active	2022-06-27	1	16
163572	Claim	Active	2022-06-27	1	16
163573	Claim	Active	2022-06-27	1	16
163574	Claim	Active	2022-06-27	1	16
168434	Claim	Active	2022-06-27	1	16
180462	Claim	Active	2022-06-27	1	16
181869	Claim	Active	2022-06-27	1	16
181870	Claim	Active	2022-06-27	1	16
181871	Claim	Active	2022-06-27	1	16
211448	Claim	Active	2022-06-27	1	16
211449	Claim	Active	2022-06-27	1	16
217240	Claim	Active	2022-06-27	1	16
222983	Claim	Active	2022-06-27	1	16
222984	Claim	Active	2022-06-27	1	16
230269	Claim	Active	2022-06-27	1	16
234352	Claim	Active	2022-06-27	1	16
235758	Claim	Active	2022-06-27	1	16
235759	Claim	Active	2022-06-27	1	16
254066	Claim	Active	2022-06-27	1	16
254099	Claim	Active	2022-06-27	1	16
258925	Claim	Active	2022-06-27	1	16
263538	Claim	Active	2022-06-27	1	16
278983	Claim	Active	2022-06-27	1	16
283217	Claim	Active	2022-06-27	1	16
283616	Claim	Active	2022-06-27	1	16
290428	Claim	Active	2022-06-27	1	16
291273	Claim	Active	2022-06-27	1	16
296314	Claim	Active	2022-06-27	1	16
326088	Claim	Active	2022-06-27	1	16
330201	Claim	Active	2022-06-27	1	16
330997	Claim	Active	2022-06-27	1	16
342040	Claim	Active	2022-06-27	1	16
342041	Claim	Active	2022-06-27	1	16
342042	Claim	Active	2022-06-27	1	16

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Number	Type	Status	Expiry Date	Claim Units	Hectares
342043	Claim	Active	2022-06-27	1	16
342044	Claim	Active	2022-06-27	1	16
342844	Claim	Active	2022-06-27	1	16
105113	Claim	Active	2022-08-11	1	16
124015	Claim	Active	2022-08-11	1	16
136003	Claim	Active	2022-08-11	1	16
166410	Claim	Active	2022-08-11	1	16
181068	Claim	Active	2022-08-11	1	16
185869	Claim	Active	2022-08-11	1	16
185872	Claim	Active	2022-08-11	1	16
188008	Claim	Active	2022-08-11	1	16
188009	Claim	Active	2022-08-11	1	16
216452	Claim	Active	2022-08-11	1	16
217822	Claim	Active	2022-08-11	1	16
217823	Claim	Active	2022-08-11	1	16
237398	Claim	Active	2022-08-11	1	16
237399	Claim	Active	2022-08-11	1	16
237400	Claim	Active	2022-08-11	1	16
237401	Claim	Active	2022-08-11	1	16
258928	Claim	Active	2022-08-11	1	16
272523	Claim	Active	2022-08-11	1	16
281165	Claim	Active	2022-08-11	1	16
283807	Claim	Active	2022-08-11	1	16
283808	Claim	Active	2022-08-11	1	16
330815	Claim	Active	2022-08-11	1	16
331088	Claim	Active	2022-08-11	1	16
343439	Claim	Active	2022-08-11	1	16
343440	Claim	Active	2022-08-11	1	16

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Figure 2 – Mining Leases and Mining Claims Map

Figure 2 – Mining Leases and Mining Claims Map



Royalties, Payments and Encumbrances

The Martison Project is subject to certain royalties held by Stephanie Townsend McKinnon. Ms. Townsend McKinnon holds the following royalties, pursuant to agreements dated February 28, 2002:

- (a) a net sales returns royalty of 1% of net sales returns on phosphate concentrate; prior to the commencement of commercial production, the royalty can be purchased for a total purchase price of \$3,000,000;
- (b) a net sales returns royalty of 2% of “special products”, which includes all products other than ores sold on the basis of their phosphate content, phosphate concentrate, and all products manufactured downstream of the phosphate beneficiation plant or any aggregate used for the purposes of the Martison Project; and
- (c) a production royalty calculated on the basis of the number of tonnes of phosphate concentrate produced from the Martison Property; the production royalty rate is \$0.40 per tonne, subject to a proportionate adjustment to reflect any change in the market price of phosphoric acid

from the base rate, being the average price for the twelve months ended August 30, 1998.

Environmental and Permitting

In November 2008, AMEC Earth and Environmental Ltd, Ontario, completed an environmental baseline study report (“ESR”) and an environmental impact assessment (“EIA”) of the Martison Project and the proposed access corridor. This comprehensive study was undertaken to facilitate permitting and permissions from all stakeholders towards the planned construction of the all season access road which was due to commence in late summer of 2009.

The ESR was prepared in accordance with requirements of a Category “C” level Class Environmental Assessment, pursuant to the Class Environmental Assessment for Ministry of Natural Resource Stewardship and Facility Development Projects. The time period over which this Class EA study is considered effective is five years. The MNR Statement of Completion was issued in January 2009, which is valid for five years, during which time construction work on the access route can commence. The permissions expired in January 2014 without any construction work having been undertaken.

The highest single profile environmental consideration is considered to be with regard to wildlife ‘species at risk’, and specifically caribou. Several caribou site specific surveys were undertaken as part of the EIA in late September 2008, focusing on the mapping of late winter caribou habitat and potential movement corridors. Post glacial esker and esker like systems that frequently support extensive lichen patches, on which caribou feed in winter, are absent from this area. The observed winter feed areas were considered comparatively small and scattered, indicating limited food potential for caribou.

Mining projects, normally being private projects, are generally not subject to the Environmental Assessment Act (Ontario) unless designated. If a project becomes designated, then the project must complete an individual environmental assessment prior to any permits being issued. Based on the proposed project description for the site, at this time there does not appear that any federal environmental assessment process will be triggered as a result of the Martison Project. Federal and provincial permits will be required to authorize construction and operations at the mine, conversion complex and solid fertilizer production facility sites.

The Martison Project property is located on lands which a First Nation, Constance Lake First Nations (“CLFN”), asserts are their traditional lands and which the First Nation asserts it holds as constitutionally protected rights. PhosCan entered into exploration agreements with CLFN regarding prior exploration and development of the Martison Project, which has been assigned to Fox River in connection with the acquisition by Fox River of the PhosCan Transferred Assets.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The terrain overlying the Martison phosphate deposit consists of spruce forest, wet muskeg, and numerous small lakes and rivers. Local relief is minimal with variations of only a few metres, making the ground very poorly drained, alternating between wet and drier. To permanently access the site, construction of an all season road from Highway 11 to the mine site will be required, consisting of approximately 90 kilometres of new build and upgraded existing roadway. The access road would need to be constructed prior to bringing equipment and materials to the mine area for site dewatering, pre mining activities, and construction activities. Several alternative routes were studied but the most favoured route, and one which has the consent and support of CLFN, is the Fushimi Lake route, which has been the main access to the deposit during past exploration programs. This access route has been extended and upgraded by the timber industry in recent years. The total length of this route from Hearst to the Martison Project is approximately 112 km, comprised of 26 km on Highway 11, 48 km on the Fushimi Road, and 38 km of "path", which has been used for winter access to the deposit. This route was used for the winter field programs completed by PhosCan (see Figure 1).

Climate

The weather in the area of the Martison Property is typical of a mid-continental climate with cold winters and short warm summers. Temperatures vary dramatically over short time intervals. The region experiences five months of often very cold winter and four months of warm summer.

Local Resources

The Martison Project is located approximately 70 km by air from Hearst and is in close proximity to rail, power, highway and other industrial infrastructure. It is believed that, pending further study, sufficient water is available nearby the site for anticipated mining and industrial use, which will, in part, be provided by the pumping of the significant aquifer sources available at the mine site.

Local socio economic resources are generally limited due to the paucity of population in the region. Basic food, lumber, exploration supplies, fuel, etc. can be purchased in Hearst, while other more technical supplies can be obtained in Timmins, Ontario (a long established mining centre). The residents of Hearst are favourably committed to the responsible development of the natural resources of the region and are eager for new employment opportunities.

In the last several years when accessing the Project to conduct work programs, PhosCan and the CLFN have negotiated and entered into Exploration

Agreements. The CLFN community has played a significant role in supporting the development of the Martison Project, in providing their approval for necessary access permits and with skilled and unskilled labour to assist during site related work activities. The continued support and cooperation of the CLFN is considered a requirement for advancing the Martison Project.

Infrastructure

No project specific infrastructure exists at present, other than a seasonal winter trail that is used after construction of a snow and ice road to connect the north end of the Fushimi Road with the project site. On site there are a series of drill pads and other cleared areas, and network of interconnecting trails. As the site remains 'winter access only', the requirements for eventual advancement of the Martison Project would, in the first instance, include the construction of an all year round access to the proposed mine site for construction of mine based infrastructure and for continuing access while in production.

The underlying areas at the proposed Project mine site, mine open pit and associated infrastructure (for example the waste dumps, mine buildings, beneficiation plant, and tailings impoundment area), are saturated shallow muskeg perched on impermeable glacial till. A coordinated dewatering operation will be required for the development of the site infrastructure and operations. Site preparation activities for the open pit mining area and beneficiation plant would necessarily include: constructing impermeable perimeter berms, excavating the muskeg under the berm footprint, and backfilling with material to an elevation above grade.

Physiography

The local terrain is subdued with typical slope variations in the area south and north of the James Bay Lowlands transition being in the order of five and two metres vertical per 1,000 m horizontal respectively. Typical elevations within the licence area are between 185m and 199m above mean sea level.

The deposit is located astride a major drainage divide with generally the western portion draining into the Albany River System and the eastern portion draining into the Moose River System.

History of the Martison Project

The Complex was located by an airborne magnetic electromagnetic survey in 1965, carried out by the Ontario Geological Survey and the Geological Survey of Canada. Also in 1965, ground surveys indicated a conductive zone approximately 500 metres long with a coincident magnetic anomaly. This work, along with a hole drilled in the anomaly, was conducted by a consortium that included Falconbridge Nickel Mines, Uranium Ridge Mines Limited, and Matachewan Consolidated Mines Limited. In 1967, the large northern magnetic anomaly (Anomaly A) was covered by 98 claims staked by an unknown party,

probably Goldray Mines Ltd. An airborne magnetometer survey was performed and the resulting anomaly was recommended for testing by drilling. This work was never performed and the claims were allowed to lapse. The existence of the Complex was first formally interpreted in 1970 by the Ontario Department of Mines and Northern Affairs partly on the basis of the 1965 drill hole.

Between April 1980 and June 1981, Shell Canada Resources Limited ("Shell") staked 222 mining claims in a single contiguous block over the interpreted Complex and drilled five drill holes, three centered on Anomaly A, the other two were drilled into Anomaly B.

Further major drilling programs were conducted in 1982, 1983 and 1984, totalling close to 8,500 m of drilling by various parties/owners, following Shell's disinvestment of their interest in the Complex in December 1982.

During June to July of 1984, a sample of concentrate from the Martison Project was evaluated at the International Fertilizer Development Centre in Muscle Shoals, Alabama. The study tested the viability of producing phosphoric acid from the Martison Project concentrate by acidulation with sulphuric acid.

During the period from 1985 to 1987, no further field work was completed on the property.

In 1987, Camchib Resources Inc. formed a partnership with Sherritt Gordon Ltd. ("Sherritt").

During 1993, Sherritt (the then controlling party) allowed the Martison Project claim block to expire through lack of timely filing of assessment work. In the same year, McKinnon Prospecting Ltd. ("McKinnon Prospecting") of Timmins, Ontario established a new claim block covering the Complex.

In 1997, McKinnon Prospecting began negotiations with PhosCan (then "Hendricks Minerals Canada Limited") and Baltic, which negotiations resulted in an option agreement pursuant to which Donald D. McKinnon, principal and owner of McKinnon Prospecting, granted to each of PhosCan and Baltic the right to earn a 50% interest in the Martison Property (the "Martison Option Agreement"), subject to the royalty interests retained by McKinnon Prospecting.

In 1999, 2001, 2002, 2008 and 2012 the Complex was further explored by drilling. PhosCan managed all five drilling programmes. With the exception of the 2001 Anomaly B programme and one single hole in Anomaly C, all the other drilling (20,408 m) was focussed on Anomaly A. The drill programmes of 2008 and 2012 included over 2,000 m of drilling for hydrogeological studies and geotechnical site investigations.

In total, approximately 22,000 m of drilling has been completed on the Martison Project.

In March 2008, PhosCan acquired all of the issued shares of Baltic, such that PhosCan, directly and indirectly, became the owner of 100% of the Martison Project.

Geological Setting

Regional Geology

The Martison phosphate deposit lies in a geological province referred to as Precambrian volcanic and metamorphic rock sequences, which are over one billion years in age. The occurrence of carbonatite deposits is the result of late magmatic injections of carbon dioxide gases, calcium and magnesium carbonate solutions, including associated crystalline apatite, magnetite and mica minerals, through conduits into volcanic vents. The subsequent exposure of the carbonatite rock for long periods of time to erosion and chemical weathering has resulted in the thick accumulation of a palaeo soil residue called a “residuum” which has concentrations of relatively insoluble minerals such as phosphate bearing apatite, lying on top of the competent and largely unweathered surface of the carbonatite.

The Martison carbonatite is one of 50 known locations of the Central Ontario Carbonatite Complex found on the Kapuskasing structural high (located 110 km east of the Martison Project) to the Albany Forks structural high, (located 260 km west of the Martison Project). Almost all of the carbonatite bodies occur along recognisable major tectonic features.

A number of complexes have been examined for their mineral potential. They all contain apatite in the carbonatite phase between 5% to 25%, and some contain significant enrichments of apatite through leaching out of carbonates. Such enrichment occurs on the Cargill Limited complex, located on a branch structure off the Kapuskasing structural high and at the Martison phosphate deposit.

Property Geology

Differential weathering of the Martison Carbonatite Complex has resulted in an irregular weathered ‘karst’ type surface of carbonatite, the depth of which varies greatly over short distances. Depressions in this carbonate rich surface are filled with the weathered breakdown product of the carbonatite, the ‘Residuum’. This apatite rich Residuum represents the bulk of the phosphatic material of economic interest. Above the residuum lies a less consistent layer of lateritic material containing niobium mineralisation also at levels of economic interest. More recent glacial deposits, typical of the James Bay Lowlands, form a blanket of glacial till over the residuum / laterite sub outcrop reaching up to 80 m in depth.

The geology of the Martison phosphate deposit has been defined by exploration drilling, drill hole bulk samples and airborne and ground geophysics. It can be summarised as follows:

- Muskeg deposits varying between 0.5 m and four metres thick, averaging two metres.
- Glacial till composed of calcareous clay to coarse gravel (which is competent in a dry condition). It varies in thickness from 30 m to 90 m and averages approximately 50 m.
- Local occurrences of several metres thick, black, carbonaceous paleosoil.

- Lateritic sediments composed of lignitic peat, non-calcareous clays of various colours and silica sands which have correlative properties to the Mattagami Formation considered to be of Cretaceous age (Spalding et al., 2008; Sage, 1991) are often identified at the base of the till. They have a significant iron oxide component that turns the drill water red or orange. The thickness of these sediments corresponds well to areas where the depth to the residuum is greatest, which may be indicated valley fill within the trough created by the postulated fault (Spalding et al., 2008). (Note: This unit was referred to as Unit 3 in historical project literature).
- Weathered carbonatite residuum which is a silty, sandy palaeo soil enriched by insoluble minerals (e.g., apatite) (lithotype 2A). Re cementation by circulating phosphate rich fluids have typically formed higher grade zones of phosphate referred to as “Re cemented or Consolidated Residuum” (lithotype 2B).
- Competent/fresh carbonatite. The contact between the fresh carbonatite and the residuum is gradational (lithotype 2C). The fresh carbonatite has an irregular, karstic type geometry.
- Initial geophysical exploration of the Martison Carbonatite Complex identified three aeromagnetic anomalies, referred to as A, B and C.
- Anomaly A strikes approximately N 30°W and is without a definable dip. The current defined strike length is approximately 1,700 m with a width varying between 300 m and 600 m. The north east and south west edges of this anomaly zone are sharp due to the effects of the possible postulated faults and the resulting intensive weathering of the carbonatite in this fractured zone. However, the residuum resource in Anomaly A remains open to the north west, north east and east and at depth in its central and northern areas.
- Anomaly B is approximately five km to the south east of Anomaly A. Although not fully explored, Anomaly B is considered to have been developed by the same geological processes as Anomaly A. Several of the Anomaly B drill holes have intersected phosphate mineralization of a similar level as Anomaly A, and an approximate average thickness of 18 m of residuum is identified in the borehole logging, though the phosphate levels are generally lower and more irregular.
- Anomaly C is approximately three km east south east of Anomaly A and occurs as a significantly smaller magnetic anomaly. Only one hole appears to have been drilled in Anomaly C, which apparently did not intersect any of the mineralized residuum. Since then, no further drilling has been carried out on this anomaly.
- Only Anomaly A is currently under consideration for the production of phosphate concentrate.

Exploration

FORM 2A – LISTING STATEMENT

Fox River Resources Corporation

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As part of the advancement of the Martison Project, on-site technical investigations have been undertaken and are presented below.

Ground and Air Survey

In 1983, a survey of 24 drill holes was carried out. Of the 24 drill holes surveyed, 22 had co-ordinates identical to the old co-ordinates. A comprehensive ground survey in 2008 undertook a transformation of the original “Shell Oil” grid system to NAD 83 UTM. A total of 117 pre-existing drill holes (from 1981 to 1999) were surveyed in the field.

The 2008 survey also included Airborne Light Detection and Ranging (“LiDAR”) Topographic Mapping. The LiDAR survey covered PhosCan’s leased mining claim (P1201625) and 17 recorded mining claims, for a total area of approximately 35 km². In addition, a proposed access road corridor with a width of one km and length of approximately 40 km was flown and mapped in the NAD 83 UTM system. The LiDAR generated topographic map included 0.5 m contours, streams, lakes/ponds and roads/trails.

Geotechnical Site Investigations (2008)

AMEC Earth & Environmental, a division of AMEC Americas Limited (“AMEC”), was retained by PhosCan to provide engineering services for a preliminary geotechnical investigation for a proposed mine site development. The determination of the location of the geotechnical drill holes and test pits were designed to explore the soil conditions and engineering properties over a wide area of the Project site, including in particular those areas which had been provisionally designated as potential locations for mine infrastructure, such as tailings dams, waste rock dumps and the beneficiation plant. The preliminary geotechnical site investigation established basic soil engineering parameters for the main soil types, the Till and Residuum, that will be used for construction or form foundations to infrastructure building and will be the primary soils exposed during the open pit mining operations. The use of imported fill materials of specified geotechnical characteristics will likely be required for specific applications (e.g., drainage, road and slab on grade base, etc.), where the on-site materials may not be appropriate. Further geotechnical investigation, including detailed field in situ and laboratory testing, will be required to further identify the soil and rock engineering properties required to carry out the detailed geotechnical design.

Hydrogeological Investigations (2008)

In the winter of 2008, AMEC was also requested to complete a preliminary hydrogeological study at the proposed Martison mine site, focussing on the proposed pit area. This evaluation included supervision of a pumping well installation, completion of hydraulic conductivity testing at select intervals throughout the stratigraphic sequence, and a pump test programme to collect data to complete a preliminary evaluation of dewatering activities, both during construction and longer term production. The preliminary hydrogeological site

investigation determined that a productive water bearing stratigraphic unit appears to exist towards the base of the Residuum and the weathered bedrock. The transmissivity of this unit was estimated to be in the range of 300 m²/day to 1,000 m²/day. Representative ground water samples collected from the pumping well showed that, in general, the ground water chemistry was consistent throughout the test and did not suggest any potential interaction with surface water or other sources, over the duration of the 72 hour test. However, it was evident from the constructed drawdown versus time curves that the aquifer boundaries had not been reached within the 72 hour pump test.

Hydrogeological Investigations (2012)

A multipurpose, nine hole drilling programme was carried out by AMEC between January and March 2012, which was designed to test the residuum geology to bedrock; conduct borehole geophysical surveys to further refine the subsurface geological units and, to install well screen and casing for future hydrogeological studies. The hydro geologic properties of the bedrock aquifer were investigated through a seven day pumping test. The results were modelled and the model was then modified to enable predictive simulations of dewatering scenarios. The results of the predictive modelling indicate that the mine can be dewatered by pumping from five pumping centres located around and within the deposit at combined pumping rates of between 23,000 m³/day and 32,000 m³/day.

A water balance provided by PhosCan indicates that for a five Mtpa operation, the process plant, once operational, will need more water than is taken from the dewatering wells. It was assumed that all the water from the dewatering wells will be directed to the plant after the plant becomes operational. The dewatering of the bedrock will also not effectively drain the overburden, and during the initial phases of excavation through the till, sumps will need to be employed to remove water during overburden stripping.

Analysis of groundwater samples collected during the pumping tests indicates that the groundwater is generally of good quality and, with the exception of phosphate and ammonia, meet the Provincial Water Quality Objectives, which are the standard criteria for discharging to surface water.

Ground Geophysics (2008/2009)

In late 2008 and early 2009, Geophysics GPR International Inc. were retained by PhosCan to undertake a ground geophysical survey of Anomaly A. Six resistivity profiles were collected for a total length of approximately 12.45 km and over 39,000 data points. Since ground surface elevation is relatively level over the survey area, the survey area topography was assumed flat with a surface elevation of 190 m. The profiles support the interpretation of the deep valley feature which appears to run north west south east along the Anomaly A. The survey also indicated areas of potential Residuum extension of Anomaly A to the east and north east.

Mineralization

Apatite is the principal phosphate bearing mineral of economic interest within the residuum. The laterite is enriched in niobium, typically found in the form of pyrochlore, its occurrence is of economic significance and has been the subject of significant metallurgical test work and study to establish if it may be extracted economically.

Drilling

PhosCan (and its predecessor companies) has undertaken drilling programmes in the winters of 1999, 2001, 2002, 2008 and 2012 at the Martison phosphate deposit. PhosCan managed all five drilling programmes. In all drill programmes, the holes were drilled vertically, typically by large diameter diamond drill (“DD”) core (HQ size), reverse circulation (“RC”), rotary air blast (“RAB”), auger or large diameter (6”) sonic drill rigs. In the absence of down the hole surveys, the authors of the Martison Technical Report believe it is reasonable to assume that the holes did not significantly deviate and the drill intersection lengths represent the true thicknesses of the stratigraphy based on the relatively soft nature of the Residuum formation and relatively shallow depth of the drill holes. The table below summarizes the PhosCan resource drilling programmes for Anomaly A:

Year	Company	No. Holes	Total Length m	Type and Comment
1999	PhosCan (MCK Mining)	14*	1,698	DD (Includes one re-drill)
2002	PhosCan (MCK Mining)	6	943.2	DD
2008	PhosCan	34	4,888.3	Sonic (Cluster)- Metallurgical
2012	PhosCan	15	1,947.1	Sonic
Total		63	9476.6	

* Includes six drillholes funded by Cargill.

The historical holes drilled in Anomaly A were largely drilled in the 1980’s on a 200 m grid, with two smaller in fill grids on a 50 m spacing.

Current drill holes include those drilled in 1999 in a series of 100 m spaced drill holes within the main deposit area. In 2002, six holes tested the northern part of the deposit.

In 2008, seven clusters of sonic drilling (106 mm core diameter) collected over 42 t of material for metallurgical test work and pilot scale testing of beneficiation; each cluster was comprised of four to six holes over a ± 30 m radius area.

In 2012, a further programme of 15 holes totalling just under 2,000 m was conducted between January and March 2012, the programme provided additional material for metallurgical test work and better delineation of the main part of the deposit.

A series of 10 auger holes were drilled in 2012, primarily for the purpose of hydrogeological investigations providing follow up studies from the initial pump testing in 2008. The auger holes were logged and sampled, and provided additional geological information on the deposit.

Sampling, Analysis and Data Verification

A number of sample collection and preparation methods have been adopted by PhosCan depending on the type of sampling method used. The sample collection depended on what type of drilling method was used (core, RC, auger or sonic type). Drill core, crushed rock and pulps have all been used as sample mediums and the sample preparation adopted accordingly.

Samples from the sonic core drill programmes were typically by large spoon or hand trowel depending on the sample material or required bulk. In 2008, the 'cluster' drilling programme, after a small analytical sample had been removed, the entire core of the selected intersections were bagged and crated for the intended bulk (42 t) sample. From the smaller sample removed a total of 2,204 samples were analysed for whole rock at the ACME Laboratories in Vancouver, British Columbia. Although PhosCan did not use QA/QC samples (blanks / standards) in the sample stream 85 check samples were analysed for P₂O₅ and MER compounds (Fe₂O₃, Al₂O₃, MgO, CaO), and were found to be well within acceptable analytical variance and error.

Following this, PhosCan created three types of QA/QC standards for typical 2A, 2B (residuum) and CA (laterite) material using 30 pulp samples, representative of the three material types. CDN Resource Laboratories Ltd of Langley B.C, coordinated the process, Smee and Associates (Geochemists), Vancouver, issued the Certificates of Analysis.

In March 2011, several of the 2008 and pre 2008 holes were re sampled primarily to generate a larger bulk sample for analysis and metallurgical test work for the recovery of niobium, mainly from the lateritic layers lying above the main phosphate bearing residuum. This re sampling programme also provided another useful cross check on the analyses already carried out on these holes. This sampling programme incorporated either a blank (typically clear ground glass), a QA/QC standard, or a sample duplicate which was inserted in the sample stream at a regular interval, typically every 10th sample.

The QA/QC standards were also used in the sample streams resulting from the 2012 winter drill sampling programme.

In 2012, the sampling procedure followed a similar methodology to that adopted in 2008 and 2011. Since bulk was not a pre requisite for this sample programme, approximately one quarter to half core was removed.

Typically the samples are bagged and tagged with a unique identification number using pre-printed, bar coded tickets supplied from the contracted analytical laboratories. The individual bagged samples are then weighed and a summary, pre-printed, laboratory 'chain of custody' dispatch sheet is completed to

accompany the samples, which are typically crated in batches, to the assigned laboratory.

Summaries of all analytical work are part of the current project data. Very detailed sample descriptions and analytical summaries are contained in the current Project records but not all certificates of analysis.

In the opinion of DMT, the handling and the subsequent batching and crating of the samples to the assigned laboratories has been carried out to an acceptable industry standard.

The Martison Technical Report states that DMT is satisfied that the sampling methodology, sample preparation management and chain of custody have been undertaken to a recognized industry standard, and are considered acceptable for use in the generation of a resource estimate for the deposit.

Analytical work has been undertaken at industry certified analytical laboratories in Canada and the USA.

DMT examined a number of borehole logs and sample intervals against the original analytical certificates at the core at the storage facility in Hearst in October 2014. These were found to be in order and to an acceptable industry standard.

As part of the data verification process, a number of drill hole positions were located during the October 2014 site visit and the coordinates checked with a hand held GPS. These were found to be reasonably accurate (within a 10 m radius of error) given the check method used.

Further, using the 2008 ground survey data, DMT overlayed the plotted positions of the Project drill holes onto satellite imagery of the site. The drilling grid is very evident on satellite imagery and the borehole positions, as surveyed in 2008, line up closely with the known locations.

DMT did not undertake any independent verification sampling. DMT is of the opinion that the database verification procedures comply with industry standards and are adequate for the purposes of Mineral Resource estimation.

Mineral Resource Estimates

DMT built a new resource block model to estimate a Mineral Resource for the Martison Project. The model was built with a drill hole database cut-off date of November 1, 2014. The Mineral Resource Estimate, with an effective date of November 30, 2014, and has an issue date of March 9, 2015, is presented in the table below.

Martison Mineral Resource Estimate as of 30th November, 2014

Deposit	Classification	Tonnes Mt	Phosphate Grade % P ₂ O ₅	Niobium Grade % Nb ₂ O ₅
Anomaly A Residuum	Indicated Resources	54.3	23.4	0.39
	Inferred Resources	83.5	19.1	0.41
Anomaly A Laterite	Indicated Resources	9.3	7.2	1.21
	Inferred Resources	6.3	4.8	0.94

Notes:

- (1) CIM definitions were followed for Mineral Resources.
- (2) Mineral Resources are estimated at a cut-off grade of 6% P₂O₅ in the Residuum or 0.2% Nb₂O₅ in the Laterite.
- (3) Mineral Resources are estimated at a Bulk Density of 1.9 t/m³ (dry).
- (4) Phosphate Mineral Resources are estimated using a price of US\$360 per tonne (basis 100% P₂O₅).
- (5) Niobium Mineral Resources are estimated using a price of US\$30 per kilogramme (65% Nb₂O₅ concentrate).
- (6) Mineral Resources are constrained by a Whittle open pit.
- (7) A minimum mineralisation width of five metres was used.
- (8) Values for tonnage and grade may not add up due to rounding.

Based on the limited exploration drilling so far carried out, Anomaly B represents a target for further exploration currently estimated at between 35 Mt to 70 Mt of residuum containing 16% to 20% P₂O₅. The quantity and grade is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the target being delineated as Mineral Resource. It does not represent a Mineral Resource, does not have demonstrated economic viability and is disclosed with a potential quantity and grade, expressed as ranges, that is to be the target of future exploration.

Anomaly C is an early stage exploration target.

No resource estimate has been established for the Rare Earth Elements due to the paucity of sample data, particularly from the historical drill holes and the limited and inconclusive metallurgical test work carried out.

Mineral Processing

Phosphate

Significant metallurgical test work has been carried out on material recovered from the Martison project. Initial testing took place at Lakefield Research of Canada Ltd, during the 1980's. Further test work was largely conducted by Jacobs Engineering, Florida, United States, who carried out bench and pilot scale testing. ERIEZ Magnetics laboratories of Erie, Pennsylvania also contributed to engineering studies with column cell and semi pilot plant scale testing.

Prior to 2008, comprehensive beneficiation, batch and closed circuit bench tests were conducted to address preliminary mineralogy, primary grinding, desliming, scrubbing and high intensity magnetic separation. Additional grinding and

phosphate flotation pilot plant scale tests were conducted to finalize the beneficiation flowsheet. Concentrate grades of up to 36% P₂O₅ were obtained with a P₂O₅ recovery of almost 81%.

Post 2008 phosphate beneficiation testing was carried out at both Jacobs Engineering (Florida, United States) and ERIEZ Magnetics, using sonic drill core samples collected from a number of locations within the Martison A anomaly (the 2008 drill programme). Jacobs performed bench scale beneficiation tests on different samples (which were determined from the CaO/P₂O₅ chemical ratios to identify non mineralised from mineralised material), to supplement the 2009 beneficiation programme. These series of tests were designed to confirm and/or improve the beneficiation flowsheet that was developed and described in the 2008 PFS report.

PhosCan authorized additional tests to supplement the 2009 beneficiation pilot plant programme. These tests included column cell flotation on fully deslimed residuum (2A), recemented residuum (2B), and 2A+2B sub lithotype material, and column cell flotation on partially deslimed 2A+2B material. Based on the performance and reduced reagent usages, it was concluded that column cells are superior to mechanical cells for the samples tested.

The unconsolidated 2A sub lithotype material is lower grade and more problematic to beneficiate than the consolidated higher grade 2B sub lithotype. Locked cycle testing of 2A material is recommended. The results from this testing will provide a basis for judging whether 2A and 2B material can be mined and beneficiated separately, or whether they will require blending before beneficiation.

Based on the findings of the beneficiation programme, significant portions of the PFS beneficiation flowsheet will need to be revised when metallurgical engineering studies resume.

Niobium

Niobium is a rare, transition metal used in the production of high grade steel. It is vital as an alloying element in steels and super alloys, making the steel lighter, stronger and corrosion resistant. It is used extensively in the aerospace, energy and transportation industries.

Niobium does not occur naturally as a free metal, but is an essential component in a range of mineral species. Niobium is present in quantities of economic interest in the Martison complex, primarily in the form of pyrochlore ((Na,Ca)₂Nb₂O₆(OH,F)). Metallurgical test work programmes have been conducted periodically since 1982 aimed at developing a beneficiation process to recover pyrochlore from the phosphate tailings and to produce a high grade concentrate suitable for conversion to Ferroniobium.

The recent niobium recovery test work conducted on samples of 2A + 2B material has demonstrated that it is possible to produce high grade concentrates of Niobium. Several tests (EPF131, EPF135, EPF153, EPF171) produced a final

concentrate greater than 50% Nb₂O₅. The recovery of Nb₂O₅ is very low for all tests, estimated to be about 20% based on ROM ore. By comparison, the tests conducted in 1984 produced a concentrate grade that was 57% Nb₂O₅ with 60% recovery on a sample that was significantly different from the 2A+2B composite.

The desliming, magnetic separation and phosphate flotation circuits rejected up to 75% of the niobium to waste streams using the standard flowsheet. Using the modified flowsheet, the losses were reduced to about 55%.

A mineralogical examination of the main waste streams identified an opportunity to recover additional niobium from the niobium flotation tailings and possibly from the slimes waste.

Additional work is required to improve the recovery of niobium both in the pre-treatment stages and the niobium recovery process. A continuous pilot plant will be required to verify the stability of the flowsheet and to generate a bulk niobium concentrate for further processing to Ferroniobium.

5. Selected Consolidated Financial Information

5.1 Annual Information — The audited consolidated financial statements for the year ended October 31, 2018 are available under the Issuer's profile on SEDAR. As at October 31, 2018, the Issuer had no revenue, total assets of \$1,152,140, total liabilities of \$25,953, and total shareholder's equity of \$1,126,187.

5.2 Quarterly Information — Please see table below:

Period ended	Jan. 31, 2018	Apr. 30, 2018	Jul. 31, 2018	Oct. 31, 2018
Total Revenue	-	-	-	-
Total Assets	\$802,931	\$1,247,187	\$1,194,454	\$1,152,140
Total Liabilities	\$8,456	\$11,250	\$1,755	\$25,953
Shareholder's Equity	\$794,475	\$1,235,937	\$1,192,699	\$1,126,187

5.3 Dividends:

The Issuer has not paid any dividends since incorporation. There are no restrictions on the ability of the Issuer to pay dividends contained in the constating documents of the Issuer. The Issuer intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends in the foreseeable future.

6. Management's Discussion and Analysis

Annual MD&A

6.1 This management's discussion and analysis ("MD&A") is dated February 22, 2019, unless otherwise indicated and should be read in conjunction with the

audited financial statements for the year ended October 31, 2018. The results presented for the year ended October 31, 2018 are not necessarily indicative of the results that may be expected for any future period.

- 6.2 *Description of Business* – This Issuer was incorporated pursuant to the Canada Business Corporations Act under the name “9508309 Canada Inc.” on November 12, 2015. Articles of Amendment were filed on December 7, 2015 to change the name of the Issuer to “Fox River Resources Corporation”. The Issuer’s head office is located at Suite 700, 350 Bay Street, Toronto, Ontario, M5H 2G6.

Selected Annual Financial Information

- 6.3 Please see item 5.1 above.
- 6.4 Please see Issuer’s MD&A dated February 22, 2019.
- 6.5 For the year ended October 31, 2018, the Company had income of \$297,281, or basic and diluted income of \$0.007 per share. During the comparative year ended October 31, 2017, the Company incurred a loss of \$209,949, or a basic and diluted loss of \$0.005 per share.

During the year ended October 31, 2018, the Company earned \$10,772 in interest income (2017 - \$632).

The Company successfully kept operating costs to a minimum during the period. Administration expenses of \$37,424 (2017 - \$47,856) were in line with management’s expectation and included rent, utilities, bank charges, corporate secretarial and insurance. The year over year decrease was primarily attributable to relinquishing a dedicated office space. Consulting fees of \$82,000 (2017 - \$42,000) consisted of remuneration to the Company’s CEO and CFO, and were higher relative to the previous year because the Company began paying the CEO monthly consulting fees of \$5,000 effective March 1, 2018. Professional fees of \$26,217 consisted of legal, audit and tax preparation fees, and were in line with expectations (2017 - \$34,873). Exploration and evaluation expenditures for the year totaled \$40,071, which was in line with expectation (2017 - \$50,602). Property taxes, which are included under exploration expenditures, were lower following the sale of the Company’s land holding in Brandon, MB. Shareholder information expense of \$30,336 consisted primarily of CSE listing fees, annual shareholder meeting costs, transfer agent fees, and filing fees. These costs were slightly lower than the \$35,250 incurred in the prior year.

- 6.6 Please see item 5.2 above.
- 6.7 Liquidity - As at October 31, 2018, Fox River had \$1,121,187 in working capital, including cash and cash equivalents of \$1,136,298 and no debt. The Company estimates that its corporate and general costs to maintain the Martison Project and the requirements of a reporting issuer for the next twelve months will total

approximately \$260,000. The Company currently has sufficient working capital to fund its corporate and general costs over the next twelve months. The Company may seek to monetize its interest in one or more of its assets or raise additional capital in the next year.

- 6.8 Capital Resources - The following table summarizes expenditures anticipated by Fox River based on current plans required to achieve its business objectives during the 12-month period following completion of the Arrangement.

	Amount
Expenditures on Martison Project.....	\$40,000
General and administrative.....	\$200,000
Corporate development:	\$20,000
Total:	<u>\$260,000</u>

- 6.9 Off-Balance Sheet Arrangements - As of the date of this Listing Statement, Fox River does not have any off balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of Fox River.
- 6.10 Transactions with Related Parties - Through the normal course of business, the following related party transactions occurred during the year ended October 31, 2018:
- a) The Company paid consulting fees of \$3,500 per month to Fraser Laschinger, the Chief Financial Officer, for a total of \$42,000.
 - b) The Company paid consulting fees of \$5,000 per month beginning March 1, 2018 to Stephen Case, the Chief Executive Officer and a Director, for a total of \$40,000.
 - c) The Company paid rent of \$1,800 per month for the storage of drill core, supplies and equipment to D&S McKinnon Holdings Limited, a corporation controlled by a relative of Gordon McKinnon, a Director of the Company, for a total of \$21,600.
- 6.12 Proposed Transactions – There are no proposed transactions as of the date of this Listing Statement.
- 6.13 Changes in Accounting Policies - There are no relevant changes in accounting standards applicable to future periods other than as disclosed in Fox River's annual financial statements for the year ended October 31, 2018.
- 6.14 Financial Instruments and Other Instruments - Fox River's financial instrument consists of cash and cash equivalents. The carrying value of Fox River's

financial instruments are equal to their carrying value due to their short term nature.

6.18 Description of Securities:

The authorized capital of Fox River consists of (i) an unlimited number of common shares ("Fox River Shares"), and (ii) an unlimited number of non-voting special shares (the "Fox River Special Shares").

Each Fox River Share ranks equally with all other Fox River Shares and on parity with the Fox River Special Shares with respect to dissolution, liquidation or winding up of Fox River and payment of dividends. The holders of Fox River Shares are entitled to one vote for each share held on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the Fox River Board out of funds legally available therefore and to receive pro rata the remaining property of Fox River on dissolution. The holders of Fox River Shares have no pre-emptive or conversion rights. All of the Fox River Shares currently outstanding are fully paid and non-assessable.

The Fox River Special Shares are non-voting and are issuable in one or more series with such rights, restrictions, conditions and limitations as determined by resolution of the directors passed at or prior to issuance. The Fox River Special Shares may be convertible into Fox River Shares, on such terms and conditions as determined by the Fox River Board.

7. Market for Securities

7.1 The Fox River Shares are listed on the CSE.

8. Consolidated Capitalization

8.1 As of the date of this Listing Statement, Fox River has 41,278,527 common shares outstanding.

9. Options to Purchase Securities

9.1 As of the date of this Listing Statement, 2,200,000 options to purchase securities of the Issuer are outstanding.

Group	Options	Exercise Price	Expiry Date
Officers (2)	1,200,000	\$0.05	April 1, 2021
Directors (2)	1,000,000	\$0.05	April 1, 2021

10. Description of the Securities

- 10.1 General - The authorized capital of Fox River consists of (i) an unlimited number of common shares ("Fox River Shares"), and (ii) an unlimited number of non-voting special shares (the "Fox River Special Shares").

Each Fox River Share ranks equally with all other Fox River Shares and on parity with the Fox River Special Shares with respect to dissolution, liquidation or winding up of Fox River and payment of dividends. The holders of Fox River Shares are entitled to one vote for each share held on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the Fox River Board out of funds legally available therefore and to receive pro rata the remaining property of Fox River on dissolution. The holders of Fox River Shares have no pre-emptive or conversion rights. All of the Fox River Shares currently outstanding are fully paid and non-assessable.

The Fox River Special Shares are non-voting and are issuable in one or more series with such rights, restrictions, conditions and limitations as determined by resolution of the directors passed at or prior to issuance. The Fox River Special Shares may be convertible into Fox River Shares, on such terms and conditions as determined by the Fox River Board.

- 10.2 Debt securities – No debt securities of the Issuer are being listed.
- 10.4 Other securities – No securities other than equity securities are being listed.
- 10.5 Modification of terms: The rights of the holders of Fox River Shares may only be modified by Articles of Amendment, which must be authorized by a special resolution passed by the shareholders of Fox River.
- 10.6 Other attributes: The rights attaching to the Fox River Shares are not materially limited or qualified by the rights of any other class of securities, and no other class of currently outstanding securities ranks ahead of or equally with the Fox River Shares.
- 10.7 Prior Sales – As of the date of this Listing Statement:

Date	Number of Shares	Price
November 12, 2015	1	\$1.000
February 2, 2016	33,947,276	\$0.030
April 6, 2016	1,331,250	\$0.040
April 20, 2016	6,000,000	\$0.035

- 10.8 Stock Exchange Price:

Month	Low	High	Volume
November 2017	\$0.06	\$0.08	231,210

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December 2017	\$0.06	\$0.08	137,422
January 2018	\$0.06	\$0.15	1,588,614
February 2018	\$0.05	\$0.06	140,707
March 2018	\$0.05	\$0.08	211,249
April 2018	\$0.05	\$0.06	249,352
May 2018	\$0.06	\$0.06	548,693
June 2018	\$0.06	\$0.07	1,178,000
July 2018	\$0.06	\$0.06	171,450
August 2018	\$0.06	\$0.06	26,325
September 2018	\$0.06	\$0.06	84,225
October 2018	\$0.06	\$0.06	202,112

11. Escrowed Securities

11.1 No securities of the Issuer are, to the knowledge of the Issuer, held in escrow.

12. Principal Shareholders

12.1 As of the date of this Listing Statement, Stephen Case, the President and CEO of the Issuer, holds 8,507,838 common shares representing approximately 20.6%.

13 Directors and Officers

13.1 The following table sets forth the name, province or state and country of residence, position with Fox River, principal occupation during the previous five years and the number of voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised, for the directors and executive officers of Fox River.

Name and Municipality of Residence	Principal Occupation during the last five years	Director Since	Position with the Corporation	Number of Fox River Shares Beneficially Owned, Directly or Indirectly, or Over which Control or Direction is Exercised ⁽²⁾
Stephen D. Case ⁽³⁾ <i>Toronto, Ontario</i>	President and CEO of the Issuer and former President and CEO of PhosCan ⁽¹⁾	November 12, 2015	President and Director	8,507,838
Fraser Laschinger <i>Toronto, Ontario</i>	Chief Financial Officer and Secretary of Canadian Orebodies Inc.	--	Chief Financial Officer and Secretary	1,000,000
Gordon S. T. McKinnon ⁽³⁾ <i>Toronto, Ontario</i>	President and CEO of Canadian Orebodies Inc.	December 15, 2015	Director	1,228,000

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John D. Yokley⁽³⁾
Palmyra, Wisconsin, USA

Director of PhosCan⁽¹⁾;
Retired Executive

December 15,
2015

Director

100,000

Notes:

- (1) Mr. Case and Mr Yokley's positions with PhosCan ceased upon the Arrangement in February 2016.
- (2) The information as to Fox River Shares to be beneficially owned, directly or indirectly, or over which control or direction is exercised, is based upon information furnished to Fox River by its directors and officers as of the date of this Listing Statement.
- (3) Member of the audit committee of Fox River.

13.2 To the knowledge of the Issuer, except as set out below no director or officer of the Issuer is, or has been in the last 10 years, (a) a director, chief executive officer or chief financial officer of a company that (i) while that person was acting in that capacity, was the subject of a cease trade order or similar order (including a management cease trade order) or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, or (ii) after that person ceased to act in that capacity, was subject of a cease trade or similar order or an order that denied the issuer access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days which resulted from an event that occurred while that person acted in such capacity, or (b) a director or executive officer of a company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

13.3 There are potential conflicts of interest to which the directors and officers of Fox River will be subject in connection with the business of Fox River. In particular, certain of the directors and/or officers of Fox River serve as directors and/or officers of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties and whose business may, from time to time, be in direct or indirect competition with Fox River. Such associations may give rise to conflicts of interest from time to time. The directors of Fox River are required by law to act honestly and in good faith with a view to the best interests of Fox River and to disclose any interest, which they may have in any project opportunity of Fox River. Conflicts, if any, will be subject to and governed by laws applicable to directors' and officers' conflicts of interest, including the procedures and remedies available under the CBCA. The CBCA provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the CBCA. As at the

date of this Listing Statement, Fox River is not aware of any existing or potential material conflicts of interest between Fox River and any current director or officer of Fox River.

13.11 Management

Stephen D. Case, age 63, serves as President of Fox River. Mr. Case was the President and Chief Executive Officer and a director of PhosCan from 2006 to 2016. Mr. Case has over 25 years' experience in the financing and development of mineral assets. He also served as a director and was one of the three co-founders of RFC Resource Finance Corporation ("RFC"). RFC's principal asset was the Pend Oreille zinc lead deposit in the state of Washington. RFC is now a wholly-owned subsidiary of Teck Resources Ltd.

As President of Fox River, Mr. Case is responsible for management of the affairs of Fox River, reporting directly to the Fox River Board, and he intends to dedicate as much time as required to Fox River in order to perform his duties.

Fraser Laschinger, age 34, serves as Chief Financial Officer and Secretary for the Issuer. Mr. Laschinger has also been the Chief Financial Officer and Secretary of Canadian Orebodies Inc. since 2013. Mr. Laschinger was also the Chief Financial Officer and a director of Mineral Streams Inc. from 2013 until its sale to AuRico Metals Inc. in 2015. Mr. Laschinger has also worked in equity research for a Canadian investment dealer. Mr. Laschinger graduated with an Honours in Business Administration degree from the Richard Ivey School of Business at the University of Western Ontario in 2006.

As Chief Financial Officer and Secretary of Fox River, Mr. Laschinger is responsible for budgeting, compiling financial records in accordance with Canadian generally accepted accounting principles and is responsible for ensuring the Issuer's internal control policies and procedures are met. Mr. Laschinger, as Chief Financial Officer and Secretary, will dedicate as much time as required to the Issuer in order to perform his duties.

14. Capitalization

- 14.1 The following table sets out the capitalization of the Issuer immediately following completion of the Arrangement, taking into account the shareholders of PhosCan who exercised their rights of dissent in respect of the Arrangement:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non- diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	41,278,527	43,478,527	100	100

Held by Related Persons or employees of the Issuer or Related Person of the Issuer, (B)

10,831,838	13,031,838	26.2	30.0
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Total Public Float (A-B)

30,446,689	30,446,689	73.8	70.0
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Freely-Tradeable Float

Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)

0	0	0	0
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Total Tradeable Float (A-C)

30,446,689	30,446,689	73.8	70.0
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Securityholders (Registered)

The following table sets out the capitalization of the Issuer as of October 31, 2018.

Class of Security

Size of Holding

Number of holders

Total number of securities

1 – 99 securities

5

173

100 – 499 securities

3

525

500 – 999 securities

1,000 – 1,999 securities

2,000 – 2,999 securities

3,000 – 3,999 securities

4,000 – 4,999 securities

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5,000 or more securities	7	41,277,829
	15	41,278,527

Securityholders (Beneficial)

The following table sets out the capitalization of the Issuer as of October 31, 2018.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	127	5,645
100 – 499 securities	542	131,088
500 – 999 securities	438	282,466
1,000 – 1,999 securities	425	555,511
2,000 – 2,999 securities	257	623,431
3,000 – 3,999 securities	101	349,073
4,000 – 4,999 securities	42	183,253
5,000 or more securities	409	27,978,600

14.2 The Issuer has 2,200,000 incentive stock options outstanding that are exercisable to purchase 2,200,000 common shares of the Issuer at an exercise price of \$0.05 per share and expiring on April 1, 2021.

14.3 There are no other Fox River Shares reserved for issuance.

15. Executive Compensation

Stephen Case provides his services as President of Fox River on a consulting basis in consideration of fees of \$5,000 per month, or \$60,000 annually. Mr. Case has been granted stock options to acquire Fox River Shares. The size of the incentive option award will be determined by the Compensation Committee and will be in proportion to the deemed ability of Mr. Case to make an impact on

the success of Fox River and, equally importantly, to align Mr. Case's incentives with the interests of the Issuer's shareholders.

Mr. Laschinger provides his services as Chief Financial Officer of Fox River on a part time basis in consideration of monthly fees of \$3,500 per month, or \$42,000 annually.

Fox River has no compensation plan or arrangement to compensate executive officers in the event of the termination of employment (resignation, retirement, change of control) or in the event of a change in responsibilities following a change of control.

Fox River's directors are compensated with incentive stock options, thereby conserving its cash resources and aligning the directors' incentives with the interests of Fox River shareholders.

16. Indebtedness of Directors and Executive Officers

As of the date of this Listing Statement no directors or executive officers of the Issuer are indebted to the Issuer.

17. Risk Factors

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of Fox River and could cause Fox River's operating and financial performance to differ materially from the estimates described in forward looking statements related to Fox River. These include widespread risks associated with any form of business and specific risks associated with Fox River's business and its involvement in the mineral exploration and development industry. An investment in the Fox River Shares, as well as Fox River's prospects, are highly speculative due to the high risk nature of its business and the present stage of its operations. Fox River Shareholders may lose their entire investment. The risks described below are not the only ones facing Fox River. Additional risks not currently known to Fox River, or that Fox River currently deems immaterial, may also impair Fox River's business or operations. If any of the following risks actually occur, Fox River's business, financial condition, operating results and prospects could be adversely affected.

Single Mineral Property

Fox River's only mineral property is the Martison Project. Any adverse development affecting this property would have a material and adverse effect on Fox River.

No Operating Revenues and History of Losses

Fox River has had no operating revenues and history of losses, and no operating revenues are anticipated until one of Fox River's projects comes into production, which may or may not occur. Fox River will continue to experience losses unless

and until it can successfully develop and begin profitable commercial production at one of its mining properties. There can be no assurance that Fox River will be able to do so.

No History of Operations

Fox River is an exploration and development company and has no history of mining or refining mineral products. Fox River has no history of earnings. As such, any future revenues and profits are uncertain. Fox River is subject to many risks common to such enterprises, including under capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues.

There can be no assurance that the Martison Project or any other property will be successfully placed into production, produce minerals in commercial quantities or otherwise generate operating earnings. Advancing projects from the exploration stage into development and commercial production requires significant capital and time and will be subject to further technical studies, permitting requirements and construction of mines, processing plants, roads and related works and infrastructure. Fox River will continue to incur losses until mining related operations successfully reach commercial production levels and generate sufficient revenue to fund continuing operations. There is no certainty that Fox River will generate revenue from any source, operate profitably or provide a return on investment in the future.

No History of Mineral Production

Fox River has never had an interest in a mineral producing property. There is no assurance that commercial quantities of minerals will be discovered at any future properties, nor is there any assurance that any future exploration programs of Fox River with respect to the Martison Project or any other properties will yield any positive results. Even where commercial properties of minerals are discovered, there can be no assurance that any property of Fox River will ever be brought to a stage where mineral reserves can be profitably produced thereon. Factors which may limit the ability of Fox River to produce mineral resources from its properties include, but are not limited to, the price of mineral resources are explored, availability of additional capital and financing and the nature of any mineral deposits.

No History of Profitability

The Company is a development stage company with no history of revenues or profitability. There can be no assurance that the operations of Fox River will be profitable in the future. The Company will require additional financing to further explore, develop, acquire, and achieve commercial production on its property interests and, if financing is unavailable for any reason, Fox River may become unable to acquire and retain its property interests and carry out its business plan.

Nature of Mineral Exploration and Development

Fox River is engaged in the business of exploring and evaluating and developing the Martison Project, which is a highly speculative endeavour. Fox River's viability and potential success lie in its ability to explore and evaluate, develop, exploit and generate revenue out of the Martison Project. The exploration and evaluation and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful analyses, experience and knowledge may not eliminate. While discovery of a mine may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or any future programs on the Martison Project will result in a profitable commercial mining operation.

Fluctuating Prices

Factors beyond the control of Fox River may affect the marketability of any products produced. The prices for phosphate concentrate, phosphoric acid and phosphate fertilizers have fluctuated widely and are affected by numerous factors beyond Fox River's control. The effect of these factors cannot be accurately predicted.

Competition

The chemical and fertilizer business is competitive in all of its phases. Fox River competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Fox River, in the development of the Martison Project, and in the search for markets for any products which may be produced. There is no assurance that Fox River will continue to be able to compete successfully with its competitors in developing the Martison Project or finding markets for the products which may be produced.

Financing Risks

Fox River has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and evaluation and development of the Martison Project. There can be no assurance that Fox River will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and evaluation and development of the Martison Project.

Estimates of Mineral Resources

The figures for mineral resources presented in this Listing Statement are estimates and no assurance can be given that the anticipated tonnage and grades will be achieved or that the indicated level of recovery will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Establishment of a reserve and development of a mine does

not assure a profit on the investment or recovery of costs. In addition, geological complexity, mining hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from a mine. These conditions include delays in obtaining governmental approvals or consents, or other geological and mechanical conditions. While diligent mine supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels.

The quantity of a given mineral tends to vary in all types of deposits. Due to the nature of drilling and building reserves, small variances both positive and negative must be anticipated. Inferred resources are estimated and must account for large sections of ore bodies that are believed to contain what the average overall results demonstrate.

First Nations Land Claims

The Martison Project is on land over which at least one First Nation has made aboriginal and treaty rights claims. The Supreme Court of Canada has held that aboriginal groups may have unextinguished aboriginal or treaty rights over lands they claim to be their traditional lands and by virtue of such, are owed a legal duty of consultation by the Crown on how mining activities might impact on their claims. However, such rights or title are not absolute and may be infringed by government in furtherance of a valid legislative objective, including mining, subject to meeting a justification test. The effect on any particular lands will not be determinable until the exact nature of historical use, occupancy and rights in any particular piece of property have been clarified, or until the parties reach practical agreements that set out how any adverse impacts will be mitigated. The Supreme Court of Canada has also held that even before claims of rights and title are proven with some finality by the courts, the Crown has a duty to consult with First Nations, which can become a duty to seek possible accommodations. The Crown is required to consult in good faith with the intention of substantially addressing First Nation concerns.

In order to further explore and evaluate and develop the Martison Project, Fox River will likely have to negotiate one or more agreements with any First Nation that raises any legitimate aboriginal or treaty rights based claims over the land on which the Martison Project is located. Like any negotiations, there are no assurances that any such agreements can be reached. If Fox River is unable to negotiate such agreements, its ability to explore and evaluate, develop and mine the Martison Project may be adversely affected. If Fox River is able to negotiate such agreements with the First Nations groups, the financial implications of any such agreements will have to be factored into any business model and the overall financial model of the Martison Project.

Indemnified Liability Risk

Pursuant to the Arrangement Agreement, Fox River has covenanted and agreed that, following the Effective Time, it will indemnify PhosCan, Petrus, New Petrus and their subsidiaries, affiliates, directors, officers, partners, employees, advisors, shareholders and agents (each an “Indemnified Party”) from any and all direct or indirect liabilities, claims, demands, taxes, losses, costs, damages, penalties and expenses (including legal fees and expenses but excluding loss of profits and consequential damages) to which an Indemnified Party may be subject or may suffer, whether under the provisions of any court action, statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of the certain items.

Fox River will remain liable under this indemnity for five years following the Effective Date. Because of Fox River’s limited financial resources, any requirement to indemnify under these provisions could have a material adverse effect on the ability of Fox River to carry out its business plan.

Market Price of Fox River Shares

Securities of micro-cap and small cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Fox River Shares is also likely to be significantly affected by short term changes in mineral and fertilizer prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to Fox River’s performance that may have an effect on the price of the Fox River Shares include the following: (i) the extent of analytical coverage available to investors concerning Fox River’s business may be limited if investment banks with research capabilities do not follow Fox River’s securities; (ii) lessening in trading volume and general market interest in Fox River’s securities may affect an investor’s ability to trade significant numbers of Fox River Shares; (iii) the size of Fox River’s public float may limit the ability of some institutions to invest in the Fox River’s securities; and (iv) a substantial decline in the price of the Fox River Shares that persists for a significant period of time could cause Fox River’s securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity.

As a result of any of these factors, the market price of the Fox River Shares at any given point in time may not accurately reflect Fox River’s long term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. Fox River may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management’s attention and resources.

Dividend Policy

No dividends on the Fox River Shares have been paid by Fox River to date. Investors in Fox River's securities cannot expect to receive a dividend on their investment in the foreseeable future, if at all. Accordingly, it is unlikely that investors will receive any return on their investment in Fox River's securities other than through possible share price appreciation.

Conflicts of Interest

Certain of the directors and officers of Fox River also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving Fox River should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fox River and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the CBCA and other applicable laws.

19. Legal Proceedings

- 19.1 There are no legal proceedings or regulatory actions involving Fox River or its properties as at the date of this Listing Statement, and Fox River knows of no such proceedings or actions currently contemplated.
- 19.2 Regulatory actions – There have been no:
- (a) penalties or sanctions imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date hereof;
 - (b) other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed; or
 - (c) settlement agreements the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof.

20. Interest of Management and Others in Material Transactions

Since Fox River's incorporation, no director, executive officer, or Fox River Shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Fox River Shares, or any known associates or affiliates or such persons, has or has had any material interest, direct or indirect,

in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect Fox River other than PhosCan in connection with Fox River's incorporation, the entering into of the Arrangement Agreement, and the transfer of the PhosCan Transferred Assets to Fox River in connection with the Arrangement.

20. Auditors, Transfer Agents and Registrars

- 20.1 The auditors of Fox River are MNP LLP, 111 Richmond Street West, Suite 300, Toronto, Ontario, Canada, M5H 2G4.
- 20.2 The registrar and transfer agent for the Fox River Shares is TSX Trust Company at its principal office in the City of Toronto, Ontario.

21. Material Contracts

The only material contracts entered into by Fox River, other than in the ordinary course of business, since the date of incorporation of Fox River are as follows:

- (a) the Arrangement Agreement dated as of November 29, 2015, among PhosCan, Petrus, New Petrus and Fox River; and
- (b) the PhosCan Conveyance Agreement.

22. Interest of Experts

The technical report entitled "Technical Report on the Martison Phosphate Project, Ontario, Canada" dated March 9, 2015, effective November 30, 2014, and re-issued under Fox River's name on April 11, 2016, pertaining to the Martison Project, commissioned by and prepared for PhosCan by Timothy Horner, C. Geol. C. Eng. P. Geo, Edmund Finch, MMSA and Harold Wyslouzil, P. Eng on behalf of DMT Consulting Ltd., was prepared in accordance with NI 43-101 and is the technical report from which certain technical information relating to Fox River's mineral projects on a property material to Fox River contained in this Listing Statement has been derived.

Each of the persons named above is a "Qualified Person" as defined in NI 43-101, and has been responsible for preparing the technical reports referred to in this Listing Statement.

To the best knowledge of Fox River, with the exception of Timothy Horner, none of the aforementioned persons hold any securities of PhosCan or of any affiliate of PhosCan or held any such securities when they prepared the reports referred to above or following the preparation of such reports nor did they receive any direct or indirect interest in any securities of PhosCan or of any associate or affiliate of PhosCan in connection with the preparation of such reports. Mr. Horner holds less than 0.2% of the outstanding Fox River Shares, and is considered to be independent for purposes of NI 43-101.

As of the date of this Listing Statement, MNP LLP (the auditors of Fox River) have reported that they are independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

Other than as described above, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of Fox River or of any associate or affiliate of Fox River.

23. Other Material Facts

There are no material facts about the Issuer and its securities that are not disclosed under the preceding items and that are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

24. Financial Statements

The following financial statements are attached to, and form part of, this Listing Statement:

- (a) audited financial statements of Fox River for the year ended October 31, 2018 and Management's Discussion & Analysis;

CERTIFICATE OF THE ISSUER

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

Dated at Toronto this 22nd day of February, 2019.

(signed) "Stephen Case"

President and CEO

(signed) "Fraser Laschinger"

Chief Financial Officer

Fox River Resources Corporation

Consolidated Financial Statements

October 31, 2018 and 2017

(presented in Canadian dollars)

Independent Auditors' Report

To the Shareholders of Fox River Resources Corporation:

We have audited the accompanying consolidated financial statements of Fox River Resources Corporation, which comprise the consolidated statements of financial position as at October 31, 2018 and October 31, 2017, and the consolidated statements of operations and comprehensive income (loss), changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Fox River Resources Corporation as at October 31, 2018 and October 31, 2017 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

MNP LLP

Toronto, Ontario
February 22, 2019

Chartered Professional Accountants
Licensed Public Accountants

MNP

Fox River Resources Corporation
Consolidated Statements of Financial Position

As at	Oct. 31, 2018	Oct. 31, 2017
Assets		
Current assets		
Cash and cash equivalents (note 3a)	\$ 1,136,298	\$ 388,749
Accounts receivable	5,233	5,117
Prepaid expenses	5,609	9,364
	1,147,140	403,230
Non-current assets		
Restricted cash (note 3a)	5,000	5,000
Land (note 7)	-	440,301
	5,000	445,301
Total assets	\$ 1,152,140	\$ 848,531
Liabilities		
Accounts payable and accrued liabilities	\$ 25,953	\$ 19,625
	25,953	19,625
Shareholders' equity		
Share capital (note 4)	1,271,643	1,271,643
Share based payment reserve (note 5)	96,580	96,580
Deficit	(242,036)	(539,317)
	1,126,187	828,906
Total liabilities and shareholders' equity	\$ 1,152,140	\$ 848,531

Approved by the Board:

"Stephen Case"
Director

"John Yokley"
Director

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

Fox River Resources Corporation
Consolidated Statements of Operations and Comprehensive Income (Loss)

	Year ended Oct. 31, 2018	Year ended Oct. 31, 2017
Expenses		
Consulting fees (note 10)	\$ 82,000	\$ 42,000
Exploration & evaluation expenditures (note 8 & 10)	40,071	50,602
Administration	37,424	47,856
Shareholder information	30,336	35,250
Professional fees	26,217	34,873
(Loss) from operations	(216,048)	(210,581)
Interest income	10,772	632
Gain on sale of land (note 7)	559,699	-
Transaction costs on sale of land (note 7)	(57,142)	-
Net income (loss) and comprehensive income (loss)	\$ 297,281	\$ (209,949)
Basic and fully diluted income (loss) per share (note 6)	\$ 0.007	\$ (0.005)

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

Fox River Resources Corporation
Consolidated Statements of Cash Flows

For the year ended,	Oct. 31, 2018	Oct. 31, 2017
Cash flows from operating activities		
Net income (loss)	\$ 297,281	\$ (209,949)
Gain on sale of land	(559,699)	-
Changes in non-cash working capital items		
Accounts receivable	(116)	43,402
Prepaid expenses	3,755	(2,340)
Accounts payable and accrued liabilities	6,328	1,878
	(252,451)	(167,009)
Cash flows from investing activities		
Sale of land	1,000,000	-
Net change in cash and cash equivalents	747,549	(167,009)
Cash and cash equivalents, beginning of year	388,749	555,758
Cash and cash equivalents, end of year	\$ 1,136,298	\$ 388,749

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

Fox River Resources Corporation
Consolidated Statements of Changes in Shareholders' Equity

	Number of shares	Share capital	Share based payment reserve	Deficit	Total
Balance, October 31, 2016	41,278,527	\$ 1,271,643	\$ 96,580	\$ (329,368)	\$ 1,038,855
Net loss and comprehensive loss for the year	-	-	-	(209,949)	(209,949)
Balance, October 31, 2017	41,278,527	\$ 1,271,643	\$ 96,580	\$ (539,317)	\$ 828,906
Net income and comprehensive income for the year	-	-	-	297,281	297,281
Balance, October 31, 2018	41,278,527	\$ 1,271,643	\$ 96,580	\$ (242,036)	\$ 1,126,187

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

Fox River Resources Corporation
Notes to the Consolidated Financial Statements
October 31, 2018 and 2017

1. REPORTING ENTITY

Fox River Resources Corporation ("Fox River" or the "Company") was incorporated pursuant to the Canada Business Corporations Act under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 350 Bay Street, Suite 700, Toronto, Ontario M5H 2S6. The Company has one wholly-owned subsidiary: Baltic Resources Inc. ("Baltic").

The Company's business plan includes acquiring, exploring, evaluating and developing mineral and natural resources properties such as its wholly-owned Martison Phosphate Project.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

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

These consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The Board of Directors approved the consolidated financial statements and authorized their issuance on February 22, 2019.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and cash equivalents

Cash and cash equivalents include money market instruments and Guaranteed Investment Certificates ("GICs") which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

	October 31, 2018	October 31, 2017
Cash	\$ 125,263	\$ 313,010
Money market instruments & GICs	1,011,035	75,739
Cash and cash equivalents	\$ 1,136,298	\$ 388,749

Restricted cash consists of GIC collateral of \$5,000 for a corporate credit card.

(b) Earnings (loss) per share

Basic earnings (loss) per common share amounts are computed by dividing net earnings (loss) by the weighted-average number of common shares outstanding for the period. For the year ended October 31, 2018, the diluted per share amount reflects the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. For the year ended October 31, 2017, the diluted per share amount does not reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares as it would be anti-dilutive.

Fox River Resources Corporation
Notes to the Consolidated Financial Statements
October 31, 2018 and 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Financial instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instrument: held to maturity, loans and receivables, assets at fair value through profit or loss ("FVTPL"), available for sale, FVTPL liabilities or other liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Held to maturity assets, loans and receivables, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available for sale assets are subsequently measured at fair value with the changes in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

The Company has classified its financial instruments as follows:

Financial Instrument	Classification	Valuation Method
Cash and cash equivalents	FVTPL	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

Fair value hierarchy

The Company's financial instruments measured at fair value on the balance sheet consist of cash and cash equivalents. Cash and cash equivalents are measured at level 1 of the fair value hierarchy. There are three levels of the fair value hierarchy as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Share based payments

The Company has a stock-based compensation plan which is described in Note 5. All stock-based awards are measured and recognized at the date of grant using the Black-Scholes fair valuation option pricing model. The estimated fair value of the stock options is recorded as share based payment expense over the vesting period or at the date of the grant if the options vest immediately with the corresponding effect recorded in share based payment reserve within shareholder's equity. The valuation is dependent on a number of estimates, including the risk free interest rate, the level of share volatility, together with an estimate of the level of forfeiture. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options. Any consideration paid to the Company with respect to the exercise of stock options is credited to share capital along with any related share based payment reserve.

(e) Exploration and evaluation expenditures

The Company expenses all costs relating to the acquisition of, exploration for and development of mineral claims and credits all revenues received against the exploration expenditures. Such costs include, but are not limited to geological work, geophysical studies, property holding costs, exploratory drilling and sampling.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized; this includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

(f) Share issue costs

Costs incurred for the issue of common shares and warrants are deducted from share capital and warrants respectively.

(g) Income taxes

Income tax on the profit or loss for the periods presented consists of current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized either in profit or loss and comprehensive income or loss or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent their future recovery is probable. At the end of each reporting period, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Asset retirement obligation

The operations of the Company are subject to regulations governing the environment, including future site restoration costs for mineral properties. The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred when a reasonable estimate of fair value can be made. If a reasonable estimate of fair value cannot be made in the period the asset retirement obligation is incurred, the liability is recognized when a reasonable estimate of fair value can be made.

The Company has determined that there are no asset retirement obligations or any other environmental obligations with respect to its mineral properties, and therefore no liability has been recognized in these financial statements.

(i) Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(j) Future accounting pronouncements

Standards issued but not yet effective up to the date of issuance of these financial statements are listed below. This list is of standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

IFRS 9 Financial Instruments was issued in final form in July 2014 by the IASB and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company has reviewed the standard in detail and determined that the impact on the Company's financial statements will not be material.

In January 2016, the IASB issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019. The Company has reviewed the standard in detail and determined that the impact on the Company's financial statements will not be material.

Fox River Resources Corporation
Notes to the Consolidated Financial Statements
October 31, 2018 and 2017

4. SHARE CAPITAL

The authorized share capital consists of an unlimited number of common shares with no par value and an unlimited number of non-voting special shares. As at October 31, 2018, the Company had 41,278,527 common shares issued and outstanding.

The Company did not issue any common shares during the years ended October 31, 2018 and 2017.

	Number of Shares	Consideration
Balance, October 31, 2017 and October 31, 2018	41,278,527	\$ 1,271,643

5. SHARE BASED PAYMENTS

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

The Company did not issue any share options during the years ended October 31, 2018 and 2017.

	Options	Exercise price
Balance, October 31, 2017 and October 31, 2018	2,200,000	\$ 0.05

As at October 31, 2018, the following share options were outstanding and exercisable:

Expiry date	Options	Exercise price
April 1, 2021	2,200,000	\$ 0.05
Options Outstanding and Exercisable	2,200,000	\$ 0.05

Fox River Resources Corporation
Notes to the Consolidated Financial Statements
October 31, 2018 and 2017

6. INCOME (LOSS) PER SHARE

The following table sets forth the computation of basic and diluted income (loss) per share:

	Year ended Oct. 31, 2018	Year ended Oct. 31, 2017
Net income (loss)	\$ 297,281	\$ (209,949)
Weighted-average common shares outstanding:		
Basic	41,278,527	41,278,527
Diluted	41,645,194	41,278,527
Basic income (loss) per common share	\$ 0.007	\$ (0.005)
Diluted income (loss) per common share	\$ 0.007	\$ (0.005)

7. LAND

On March 20, 2018, the Company sold the 71 acres of land the Company owned in the City of Brandon, Manitoba for gross proceeds of \$1,000,000. Prior to its sale, the land was carried at a book value of \$440,301. Accordingly, upon the closing of the sale, the Company recognized a gain of \$559,699. In connection with the sale, the Company incurred transaction costs totaling \$57,142, including real estate broker fees of \$50,000, and legal fees of \$7,142.

8. EXPLORATION AND EVALUATION EXPENDITURES

The Company owns a 100% interest in the Martison Phosphate Project (the "Project"), which is located about 70 kilometers northeast of the town of Hearst, Ontario. The Project mining leases and claims cover a contiguous area of approximately 8,256 ha. The Company's interest in the Project is subject to a net sales returns ("NSR") royalty of 1% for all phosphate concentrate sold, a royalty of \$0.40 per tonne of phosphate concentrate produced subject to escalation based on phosphoric acid prices, and an NSR royalty of 2% for all non-phosphate-related products sold. The Company has a one-time right to acquire the 1% NSR royalty prior to commencement of commercial production for \$3,000,000.

The following table sets forth the items under exploration and evaluation expenditures:

	Year ended Oct. 31, 2018	Year ended Oct. 31, 2017
Leases and property taxes ¹	\$ 18,471	\$ 29,002
Storage and rent	21,600	21,600
Exploration and evaluation expenditures	\$ 40,071	\$ 50,602

¹Includes property taxes paid on Martison mining leases and land in Brandon, MB prior to its sale.

Fox River Resources Corporation
Notes to the Consolidated Financial Statements
October 31, 2018 and 2017

9. INCOME TAXES

(a) Provision for income taxes

The following table reconciles the expected income tax provision at the statutory tax rate of 26.5% (2017 - 26.5%) to the amounts recognized in the statement of income (loss):

	2018	2017
Net income (loss) before recovery of income taxes	\$ 297,281	\$ (209,949)
Expected income tax (recovery) expense	78,780	(55,640)
Increase (decrease) resulting from		
Non taxable portion of capital gain	(66,590)	-
Other including true-ups	60	4,550
Change in tax benefits not recognized	(12,250)	51,090
Total income tax (recovery) expense	\$ -	\$ -

(b) Deferred tax balances

Deferred taxes for the Company have not been recognized in respect of the deductible temporary differences set out below:

	2018	2017
Property, plant and equipment	\$ 740	\$ -
Non-capital losses	345,960	389,420
Resource pools - mineral properties	32,571,470	32,571,470
Share issue costs	4,010	6,020
Other	-	900

The non-capital losses have been generated in the past three years and will expire in 2036, 2037, and 2038. The deduction relating to the resource pools acquired by the Company are limited to:

- i) Income related to the production from the resource properties acquired from Phoscan; and
- ii) Proceeds of disposition of the above properties.

10. RELATED PARTY TRANSACTIONS

(a) Director and executive compensation

Director and executive compensation for the years ended October 31, 2018 and 2017 consisted of the following:

	2018	2017
Cash compensation	\$ 82,000	\$ 42,000
Total	\$ 82,000	\$ 42,000

Fox River Resources Corporation
Notes to the Consolidated Financial Statements
October 31, 2018 and 2017

10. RELATED PARTY TRANSACTIONS (continued)

(b) Director and executive transactions

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

	Note	Transaction value		Balance outstanding	
		Year ended Oct. 31, 2018	Year ended Oct. 31, 2017	Oct. 31, 2018	Oct. 31, 2017
Consulting fees	(i)	\$ 82,000	\$ 42,000	\$ -	\$ -
Exploration and evaluation expenditures	(ii)	21,600	21,600	-	-
Total		\$ 103,600	\$ 63,600	\$ -	\$ -

- (i) The Company pays consulting fees of \$5,000 per month to Stephen Case, the Chief Executive Officer and a Director, and \$3,500 per month to Fraser Laschinger, the Chief Financial Officer.
- (ii) The Company pays rent of \$1,800 per month for the storage of drill core and supplies to D&S McKinnon Holdings Limited, a corporation controlled by a relative of Gordon McKinnon, a Director of the Company.

11. COMMITMENTS AND CONTINGENCIES

(a) Mining leases

The Company has three 21-year mining leases with the Province of Ontario which grant the Company surface and mining rights to the Project. One of the mining leases commenced on August 1, 2002 and the remaining two on May 1, 2011. The aggregate annual payment for the three leases is estimated to be approximately \$13,000.

12. CAPITAL MANAGEMENT

The Company's capital structure consists of shareholder's equity, which amounted to \$1,126,187 on October 31, 2018. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. Neither the Company nor its subsidiary is subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year ended October 31, 2018.

13. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

The Company's credit risk is primarily attributable to accounts receivable which consist primarily of Harmonized Sales Tax receivable. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

(b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. As at October 31, 2018, the Company had cash and cash equivalents of \$1,136,298 to settle current liabilities of \$25,953.

(c) Interest rate risk

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

(d) Market price risk

The Company is indirectly exposed to price risk with respect to the price of phosphate products. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

Fox River Resources Corporation

Management's Discussion and Analysis

For the Year Ended October 31, 2018

This Management's Discussion and Analysis ("MD&A") of Fox River Resources Corporation ("Fox River" or the "Company") is dated February 22, 2019 and provides an analysis of the Company's performance and financial condition for the year ended October 31, 2018, as well as an analysis of future prospects. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2018 and the audited consolidated financial statements for the year ended October 31, 2017 and the notes thereto, that have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These documents, along with others published by the Company, are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

All amounts referred to in this MD&A are prepared in accordance with IFRS and presented in Canadian dollars, unless otherwise indicated.

Company Information

Fox River Resources Corporation was incorporated pursuant to the Canada Business Corporations Act (the "CBCA") under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 350 Bay Street, Suite 700, Toronto, Ontario M5H 2S6. The Company has one wholly owned subsidiary: Baltic Resources Inc. ("Baltic").

Overview

Fox River is engaged in the exploration and evaluation of the Martison phosphate project. As at the date of this MD&A, the Company's primary assets are cash and cash equivalents and a 100% interest in the Martison phosphate project.

The Company's strategy is to create shareholder value through the further exploration and evaluation of the Martison Project, either by itself or in conjunction with a strategic partner, and through the potential acquisition, exploration, advancement and development of other mineral properties.

Recent Activity

On February 2, 2016, Fox River became a standalone entity by way of an arrangement (the "Arrangement") entered into among PhosCan Chemical Corp. ("PhosCan"), Petrus Resources Ltd. ("Petrus"), Petrus Acquisition Corp. ("New Petrus") and the Company.

On April 1, 2016, the Company issued 2,200,000 share purchase options exercisable at \$0.05 per share for a period of five years to officers and directors of the Company.

On April 6, 2016, the Company issued 1,331,250 common shares, with an aggregate value of \$53,249, to extinguish a liability relating to the payment of fair value to a dissenting PhosCan shareholder under the Arrangement.

On April 11, 2016, the Company re-issued the NI 43-101 Technical Report on the Martison Phosphate Project.

On April 20, 2016, the Company closed a non-brokered private placement of 6,000,000 common shares at a price of \$0.035 per share for gross proceeds of \$210,000.

On February 6, 2018, the Company entered into a binding agreement with an arm's length third party to sell the 71 acres of land the Company owned in the City of Brandon, Manitoba for gross proceeds of \$1,000,000 before transaction costs.

On March 20, 2018, the Company closed the aforementioned sale of land in the City of Brandon, Manitoba.

Summary of Quarterly Results

The following is a summary of the Company's financial results for the previous four quarters:

	Aug. 1, 2018 to Oct. 31, 2018	May 1, 2018 to Jul. 31, 2018	Feb. 1, 2018 to Apr. 30, 2018	Nov. 1, 2017 to Jan. 31, 2018
(\$)				
Total revenues	-	-	-	-
Net income (loss)	(66,512)	(43,238)	441,462	(34,431)
Net income (loss) per share	(0.00)	(0.00)	0.01	(0.00)
Total assets	1,152,140	1,194,454	1,247,187	802,931
Long-term debt	-	-	-	-
Shareholder's equity	1,126,187	1,192,699	1,235,937	794,475
Cash dividends declared per common share	-	-	-	-

Results of Operations

For the year ended October 31, 2018, the Company had net income of \$297,281, or basic and diluted income of \$0.007 per share. During the prior year ended October 31, 2017, the Company incurred a loss of \$209,949, or a basic and diluted loss of \$0.005 per share. The majority of the difference is attributable to a gain on the sale of the Brandon land of \$559,699 in the current year, less transaction costs of \$57,142, including real estate broker fees of \$50,000 and legal fees of \$7,142.

The Company successfully kept operating costs to a minimum during the period. Administration expenses of \$37,424 (2017 - \$47,856) were in line with management's expectation and included rent, utilities, bank charges, corporate secretarial and insurance. The year over year decrease was primarily attributable to relinquishing a dedicated office space. Consulting fees of \$82,000 (2017 - \$42,000) consisted of remuneration to the Company's CEO and CFO, and were higher relative to the previous year because the Company began paying the CEO monthly consulting fees of \$5,000 effective March 1, 2018. Professional fees of \$26,217 consisted of legal, audit and tax preparation fees, and were in line with expectations (2017 - \$34,873). Exploration and evaluation expenditures for the year totaled \$40,071, which was in line with expectation (2017 - \$50,602). Property taxes, which are included under exploration expenditures, were lower following the sale of the Company's land holding in Brandon, MB. Shareholder information expense of \$30,336 consisted primarily of CSE listing fees, annual shareholder meeting costs, transfer agent fees, and filing fees. These costs were slightly lower than the \$35,250 incurred in the prior year.

During the year ended October 31, 2018, the Company earned \$10,772 in interest income, up from \$632 in the prior year.

Liquidity and Financial Position

As at October 31, 2018, Fox River had \$1,121,187 in working capital (October 31, 2017 - \$383,605), including cash and cash equivalents of \$1,136,298 (October 31, 2017 - \$388,749) and no debt. The Company estimates that its corporate and general costs to maintain the Martison Project and the requirements of a reporting issuer for the next twelve months will total approximately \$260,000. The Company currently has sufficient working capital to fund its corporate and general costs over the next twelve months. The Company may seek to monetize its interest in its asset or raise additional capital in the next year.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its mining interest expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, the Company's financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the financial statements.

Share Capital

During the year ended October 31, 2018, no additional common shares of the Company were issued.

On November 12, 2015, 1 common share was issued on incorporation.

On February 2, 2016, 33,947,276 common shares were issued pursuant to the closing of the Arrangement.

On April 1, 2016, the Company granted 2,200,000 incentive stock options, exercisable at \$0.05 per share for a period of five years, to officers and directors of the Company.

On April 6, 2016, the Company issued 1,331,250 common shares, with an aggregate value of \$53,249, to extinguish a liability relating to the Arrangement.

On April 20, 2016, the Company closed a non-brokered private placement of 6,000,000 common shares at a price of \$0.035 per share or gross proceeds of \$210,000. In connection with the private placement, the Company incurred legal fees of \$10,026.

As at February 22, 2019, the Company's share capital consisted of:

Common shares outstanding:	41,278,527
Stock options outstanding:	2,200,000

Exploration and Evaluation Expenditures

During the year ended October 31, 2018, the Company incurred a total of \$40,071 in exploration and evaluation expenditures relating to the Martison Phosphate Project.

A breakdown of the exploration expenditures by category for the previous four quarters is provided below:

(\$)	Aug. 1, 2018 to Oct. 31, 2018	May 1, 2018 to Jul. 31, 2018	Feb. 1, 2018 to Apr. 30, 2018	Nov. 1, 2017 to Jan. 31, 2018
Leases and property taxes	3,022	3,701	6,754	4,994
Storage and rent	5,400	5,400	5,400	5,400
Travel and transportation	-	-	-	-
Technical and consulting	-	-	-	-
Consultation	-	-	-	-
Total expenditures	8,422	9,101	12,154	10,394

Martison Phosphate Project

The Martison phosphate project (the "Project") is located about 70 kilometers northeast of the town of Hearst, in north-central Ontario and is close to rail, power, highway, and other infrastructure. The Project contains a major carbonatite (igneous carbonate-rich) pipe capped by a residual deposit (residuum) enriched in phosphate and niobium minerals. The Project mining leases and claims cover a contiguous area of approximately 8,256 ha. Additional information can be found under Fox River's profile on SEDAR, including the NI 43-101 Technical Report dated April 11, 2016.

Regional Geology

The Martison phosphate deposit lies in a geological province referred to as Precambrian volcanic and metamorphic rock sequences, which are over one billion years in age. The occurrence of carbonatite deposits is the result of late magmatic injections of carbon dioxide gases, calcium and magnesium carbonate solutions, including associated crystalline apatite, magnetite and mica minerals, through conduits into volcanic vents. The subsequent exposure of the carbonatite rock for long periods of time to erosion and chemical weathering has resulted in the thick accumulation of a palaeo-soil residue called a "residuum" which has concentrations of relatively insoluble minerals such as phosphate bearing apatite, lying on top of the competent and largely unweathered surface of the carbonatite.

The Martison carbonatite is one of 50 known locations of the Central Ontario Carbonatite Complex found on the Kapuskasing structural high (located 110 km east of the Martison Project) to the Albany Forks structural high, (located 260 km west of the Martison Project). Almost all of the carbonatite bodies occur along recognisable major tectonic features.

A number of complexes have been examined for their mineral potential. They all contain apatite in the carbonatite phase between 5% to 25%, and some contain significant enrichments of apatite through leaching out of carbonates. Such enrichment occurs on the Cargill Limited complex, located on a branch structure off the Kapuskasing structural high and at the Martison phosphate deposit.

Property Geology

Differential weathering of the Martison Carbonatite Complex has resulted in an irregular weathered 'karst' type surface of carbonatite, the depth of which varies greatly over short distances. Depressions in this carbonate rich surface are filled with the weathered breakdown product of the carbonatite, the 'Residuum'. This apatite rich Residuum represents the bulk of the phosphatic material of economic interest. Above the residuum lies a less consistent layer of lateritic material containing niobium mineralisation also at levels of economic interest. More recent glacial deposits, typical of the James Bay Lowlands, form a blanket of glacial till over the residuum / laterite sub-outcrop reaching up to 80 m in depth.

Mineralization

Apatite is the principal phosphate bearing mineral of economic interest within the residuum. The laterite is enriched in niobium, typically found in the form of pyrochlore, its occurrence is also of economic interest. Both the phosphate and the niobium have been the subject of significant drilling and metallurgical test work to establish if they may be extracted economically.

Capital Management

In managing its capital, the Company's primary objective is to ensure the entity can continue as a going concern as well as to provide optimal returns to its shareholders, in the long term. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of properties for the mining of minerals that are economically recoverable. The Board of Directors does not establish quantitative returns on capital criteria for management due to the nature of the industry, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company considers its capital to be equity, which is comprised of share capital, reserves and accumulated deficit, which at October 31, 2018 totaled \$1,126,187 (October 31, 2017 - \$828,906).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the Company's relative size, is reasonable. The Company is not subject to externally imposed capital requirements.

Outlook, Risks and Uncertainties

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of Fox River and could cause Fox River's operating and financial performance to differ materially from the estimates described in forward looking statements related to Fox River. These include widespread risks associated with any form of business and specific risks associated with Fox River's business and its involvement in the mineral exploration and development industry. An investment in the Fox River Shares, as well as Fox River's prospects, are highly speculative due to the high risk nature of its business and the present stage of its operations. Fox River Shareholders may lose their entire investment. The risks described below are not the only ones facing Fox River. Additional risks not currently known to Fox River, or that Fox River currently deems immaterial, may also impair Fox River's business or operations. If any of the following risks actually occur, Fox River's business, financial condition, operating results and prospects could be adversely affected.

Martison Phosphate Project

The Company believes it is prudent to continue to preserve its cash until it has reasonable confidence that it can secure suitable financing to proceed with the exploration and evaluation of the Project and develop it to commercial production. However, there can be no assurance that the Company will proceed with exploration, evaluation and development of the Project, that the Company will be able to obtain adequate debt and equity financing to explore, evaluate and develop the Project, or that the terms of such financing will be favourable. Failure to obtain additional financing could result in the delay or indefinite postponement of further advancement of the Project.

No History of Profitability

The Company is an exploration and evaluation stage company with no history of revenues or profitability. There can be no assurance that the operations of Fox River will be profitable in the future. The Company will require additional financing to further explore, develop, acquire, and achieve commercial production on its property interests and, if financing is unavailable for any reason, Fox River may become unable to acquire and retain its property interests and carry out its business plan.

Nature of Mineral Exploration and Development

Fox River is engaged in the business of exploring and evaluating the Martison Project, which is a highly speculative endeavour. Fox River's viability and potential success lie in its ability to explore and evaluate, develop, exploit and generate revenue out of the Martison Project. The exploration and evaluation and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful analyses, experience and knowledge may not eliminate. While discovery of a mine may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or any future programs on the Martison Project will result in a profitable commercial mining operation.

Fluctuating Prices

Factors beyond the control of Fox River may affect the marketability of any products produced. The prices for phosphate concentrate, phosphoric acid and phosphate fertilizers have fluctuated widely and are affected by numerous factors beyond Fox River's control. The effect of these factors cannot be accurately predicted.

Competition

The chemical and fertilizer business is competitive in all of its phases. Fox River competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Fox River, in the development of the Martison Project, and in the search for markets for any products which may be produced. There is no assurance that Fox River will continue to be able to compete successfully with its competitors in developing the Martison Project or finding markets for the products which may be produced.

Indemnified Liability Risk

Pursuant to the Arrangement Agreement, Fox River has covenanted and agreed that, following the completion of the Arrangement, it will indemnify PhosCan, Petrus, New Petrus and their subsidiaries,

affiliates, directors, officers, partners, employees, advisors, shareholders and agents (each an "Indemnified Party") from any and all direct or indirect liabilities, claims, demands, taxes, losses, costs, damages, penalties and expenses (including legal fees and expenses but excluding loss of profits and consequential damages) to which an Indemnified Party may be subject or may suffer, whether under the provisions of any court action, statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of the certain items.

Fox River will remain liable under this indemnity for five years following the completion of the Arrangement. Because of Fox River's limited financial resources, any requirement to indemnify under these provisions could have a material adverse effect on the ability of Fox River to carry out its business plan.

Conflicts of Interest

Certain of the directors and officers of Fox River also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving Fox River should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fox River and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the CBCA and other applicable laws.

Related Party Transactions

Through the normal course of business, the following related party transactions occurred during the year ended October 31, 2018:

- The Company paid consulting fees of \$3,500 per month to Fraser Laschinger, the Chief Financial Officer, for a total of \$42,000.
- The Company paid consulting fees of \$5,000 per month beginning March 1, 2018 to Stephen Case, the Chief Executive Officer and a Director, for a total of \$40,000.
- The Company paid rent of \$1,800 per month for the storage of drill core, supplies and equipment to D&S McKinnon Holdings Limited, a corporation controlled by a relative of Gordon McKinnon, a Director of the Company, for a total of \$21,600.

Financial Instruments

As at October 31, 2018, Fox River's financial instruments primarily consisted of cash and Canadian dollar-denominated short-term fixed-income instruments such as GICs and high-interest savings accounts.

Due to the short-term nature and high liquidity of the fixed-income instruments, the Company estimates that the fair values are equal to their carrying values and classifies these financial instruments as cash and cash equivalents within current assets.

The material risk associated with the Company's financial instruments is counterparty risk. The Company manages its counterparty risk by monitoring the credit worthiness of its Canadian financial institution counterparts to ensure they meet the minimum investment-grade criteria.

Off-Balance Sheet Transactions

The Company has not entered into any off-balance sheet arrangements.

Proposed Transactions

The Company is not a party to any proposed transactions.

Critical Accounting Policies and Estimates

Mineral Properties and Exploration Expenditures

The Company expenses all costs relating to the acquisition of, exploration for and development of mineral claims and credits all revenues received against the exploration expenditures. Such costs include, but are not limited to geological, geophysical studies, exploratory drilling and sampling.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized; this includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Share Based Payments

The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Use of Estimates

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

The areas involving accounting estimates for the Company are as follows: share based payments and accrued liabilities.

Future Accounting Changes

IFRS 9 Financial Instruments and *IFRS 16 Leases* are described in the Company's financial statements and related notes for the year ended October 31, 2018.

Disclosure Controls and Internal Controls Over Financial Reporting

The Company's management is responsible for the preparation and fair presentation of the consolidated financial statements and MD&A. Accordingly, the Company's management has established systems, controls and procedures to collect, record, process, summarise and report necessary financial data in its financial statements and MD&A on a timely basis.

The Company's Chief Executive Officer and Chief Financial Officer (the "Officers") are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). The Officers have:

- Designed DC&P, or caused it to be designed under their supervision, to provide reasonable assurance that material information relating to the Company is made known and information required to be disclosed in its consolidated financial statements and MD&A are filed under securities legislation and recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- Designed ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Officers evaluate the Company's internal controls on a regular basis.

Forward-looking Statements

This MD&A contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performances of Fox River; the Project; the future supply, demand, inventory, production and price of phosphate and other commodities; the estimation of mineral reserves and resources; the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures; requirements for additional capital for the Project; government regulation, including permitting, of mining and chemical operations; environmental risks, reclamation and rehabilitation expenses; title disputes, claims and First Nations agreements; limitations of insurance coverage and the timing and possible outcome of litigation and regulatory matters; the ability to attract and retain personnel; labour relations; the ability to engage and retain outside contractors, experts and other advisors and their efforts and abilities; and currency exchange rates, in particular the Canadian dollar relative to the U.S. dollar. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Fox River to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, those factors discussed in the section entitled "*Outlook, Risks and Uncertainties*" in this MD&A. Although Fox River has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A based on the opinions and estimates of management, and Fox River disclaims any obligation to update any

forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, potential investors should not place undue reliance on forward-looking statements.